At Oxy, we are leveraging our expertise in carbon management and storage in our plans to achieve Net Zero and accelerate progress on global climate goals of the Paris Agreement.
Oxy is an international energy company with assets primarily in the United States, the Middle East and North Africa. We are one of the largest oil producers in the U.S., including a leading producer in the Permian and DJ basins, and offshore Gulf of Mexico. Our midstream and marketing segment provides flow assurance and maximizes the value of our oil and gas. Our chemical subsidiary OxyChem manufactures the building blocks for life-enhancing products. Our Oxy Low Carbon Ventures subsidiary is advancing leading-edge technologies and business solutions that economically grow our business while reducing emissions. We are committed to using our global leadership in carbon management to advance a lower-carbon world.

Throughout this report, “Oxy,” “we” and “our” refers to Occidental Petroleum Corporation and/or one or more entities in which it owns a controlling interest.

Visit oxy.com for more information.
This report contains forward-looking statements based on management’s current expectations relating to Oxy’s operations, strategies, outlook and business prospects. Words such as “estimate,” “project,” “predict,” “will,” “would,” “should,” “could,” “may,” “might,” “anticipate,” “prognosis,” “commitment,” “strategy,” “targets,” “plan,” “intention,” “likely,” “believe,” “expect,” “believe,” “expect” and similar expressions convey the prospective nature of events or outcomes generally indicate forward-looking statements. You should not place undue reliance on these forward-looking statements, which speak only as of the date of this report. Actual results may differ from anticipated results, sometimes materially, and reported results should not be considered an indication of future performance. In addition, historical, current and forward-looking information related to the sustainability goals and ambitions and does not indicate an acceptance by Oxy of responsibility for such emissions.

Our Net-Zero GHG Emissions Goals

In the fourth quarter 2020, Oxy announced its ambitious targets of achieving net-zero scope 1 and 2 emissions by 2050, and net-zero scope 1, 2, and 3 emissions by 2045. Oxy’s strategy to achieve these Net Zero ambitions includes two key elements: (1) operational and enterprise-level net zero strategies to reduce emissions across our business operations and support programs; and (2) reorganization of our operations and competitive conditions; future impairments of our proved and unproved oil and gas properties or equity investments; or write-downs of productive assets, causing charges to earnings; unexpected changes in costs, availability of capital resources, levels of capital expenditures and contractual obligations; or the regulatory approval environment, including our ability to timely obtain or maintain permits or other governmental approvals; our ability to successfully complete, or any material delay of, field developments, expansion projects, capital expenditures, our projects, acquisitions or dispositions; risks associated with acquisitions, mergers and joint ventures, such as difficulties integrating businesses, uncertainty associated with financial projections, projected synergies, restructuring, increased costs and adverse tax consequences and unanticipated costs and liabilities associated with acquired and divested businesses; uncertainties about the estimated quantities of oil, natural gas and natural gas liquids reserves; lower-than-expected production from development projects or acquisitions; exploration and development risks; and other operational risks; to, and other limitations on the pipeline systems that deliver oil and natural gas and other processing and transportation considerations; general economic conditions, including slowdowns, domestically or internationally, and volatility in the securities, capital or credit markets; governmental actions, war, and political conditions and events; legislative or regulatory changes, including changes relating to hydraulic fracturing or other oil and natural gas operations, retroactive royalty or production tax regimes, deep-water and onshore drilling and permitting regulations, and environmental regulations (including regulations related to climate change); environmental risks and liability under international, federal, provincial, state, local and foreign environmental laws and regulations (including remedial actions). Occidental’s ability to recognize intended benefits from its business and net-zero goals; climate change and other macro events that cannot be predicted over the next 30 years; potential liability resulting from pending or future litigation; disruption or interruption of production or manufacturing or facility damage due to accidents, chemical releases, labor unrest, weather, natural disasters, cyber- attacks or incumbent activities. Over time, our ability to retain and hire key personnel, including those with special expertise; reorganization or restructuring of our operations; changes in state, federal or foreign tax rates; actions by third parties that are beyond our control and the factors set forth in Part I, Item 1A, “Risk Factors,” of Oxy’s Annual Report on Form 10-K for the fiscal year ended December 31, 2022 and in Oxy’s other filings with the U.S. Securities and Exchange Commission ("SEC"). Unless otherwise required, Oxy does not undertake any obligation to update any forward-looking statements, as a result of new information, future events or otherwise. Targets and expected timing to achieve targets and strategies are subject to change without notice due to a number of factors. Information in this report does not necessarily indicate such information is material to an investor in our securities.

ABOUT THE INTERNATIONAL ENERGY AGENCY SUSTAINABLE DEVELOPMENT SCENARIO

The Sustainable Development Scenario ("SDS") modelled in this report is derived from assumptions contained in the International Energy Agency’s 2020 World Energy Outlook. The SDS is not a forecast or prediction of the future. There can be no assurance that the scenario modeling and assessment presented in this report are reliable indicators of the actual impact of climate change on Oxy’s asset portfolio or business. Statistics and metrics included in this report are estimates and may be based on assumptions or development standards.

ABOUT OUR GHG EMISSIONS ESTIMATES

The estimated Oxy greenhouse gas emissions described in this report are based on a combination of measured and estimated data using the best reasonably available information as of December 31, 2021. We use industry standards and practices for estimating greenhouse gas emissions, including guidance from the Greenhouse Gas protocols, IPCC, SASB, U.S. EPA, API and IPIECA. We are engaged in an ongoing integration of Oxy and Anadarko processes, including those with respect to equipment inventories and estimation or measurement of emissions. During this effort, we have applied in this report what we believe are conservative assumptions about the number of types of emissions—generating equipment, which we expect to continue to refine as we develop more comprehensive emissions inventories. The estimated Oxy emissions estimates depends on variation in the processes and operations, and the availability of sufficient representative data, the quality of available data, and the methodologies we use for measurement and estimation. Accordingly, we intend to refine and update our emission estimates, in accordance with the Greenhouse Gas protocol or other applicable standards, in the event of significant changes as additional data becomes available; we complete our physical inventory of emissions—generating equipment; or estimation methodologies are refined; and to reflect significant changes to Oxy’s assets, operations or emissions boundaries. Oxy has endeavored to estimate direct greenhouse gas emissions from our operations (Scope 1); indirect emissions associated with the generation by others of electricity, steam or heat that we purchase for use in our operations (Scope 2), and the three categories of emissions generated by others in our value chain (Scope 3) that we believe are most significant: downstream transportation and distribution of the products we make to our customers, processing and refining of our products by our customers, and our use of our oil and gas products. We are continuing to assess methodologies to estimate Scope 3 emissions, and currently believe the other Scope 3 categories are not significant to our total Oxy-Greenhouse Inventory. Reporting of estimated emissions generated by others helps to evaluate the lifecycle emissions associated with our operations and products and to aid in expressing the magnitude of our emissions reduction and net-zero goals and ambitions and does not indicate an acceptance by Oxy of responsibility for such emissions.
"CLIMATE CHANGE IS ONE OF THE GREATEST CHALLENGES FACING THE WORLD TODAY, AND OXY IS TAKING ACTION TO BE PART OF THE SOLUTION."

CEO LETTER

At Oxy, we are taking bold steps to innovate for a lower-carbon future. We’re reducing greenhouse gas (GHG) emissions across our oil and gas, midstream and chemical operations while providing products and services to help others do the same—all with the aim to achieve net zero. Oxy was the first U.S. oil and gas company to establish a net-zero goal for our total carbon inventory of Scope 1, 2 and 3 emissions, and we’re proud to be one of the few oil and gas companies with net-zero goals recognized as being aligned with the Paris Agreement’s 15-degree Celsius target.

In 2021, we advanced our pathway to achieve net-zero emissions in our operations and energy use before 2040, and in the use of products by our customers with an ambition to do so before 2050. In December, Oxy became the first U.S. upstream oil and gas company to enter into sustainability-linked credit facilities which include absolute reductions in our combined Scope 1 and 2 carbon dioxide equivalent (CO₂e) emissions as the key performance indicator. We set additional goals to demonstrate our progress, including a short-term target to reduce our CO₂e emissions from our operations and purchased energy use by 3.68 million metric tons per year by 2024, and a medium-term target to facilitate storage or utilization of 25 million metric tons per year of captured CO₂ in Oxy’s value chain by 2032.

Reflecting our commitment to reduce methane emissions and enhance associated reporting, Oxy in 2021 endorsed Oil and Gas Methane Partnership 2.0, a Climate and Clean Air Coalition initiative led by the United Nations Environment Programme, as well as the Methane Guiding Principles. We are a founding partner in the CCS+ Initiative to advance technologically feasible climate mitigation. As part of our commitment to stakeholder engagement and transparency, we shared our Climate Policy Positions and Climate Advocacy and Engagement on our company website. These documents provide insight into our perspective on climate policies and the key trade and business associations we work with, including the Oil and Gas Climate Initiative (OGCI) and the Carbon Capture Coalition. It was my privilege to testify in April 2021 before the U.S. Senate Energy and Natural Resources Committee in support of reinstating federal methane regulations, and our teams continue to collaborate with community and environmental stakeholders to enhance state GHG regulations in Colorado and New Mexico.

None of this would be possible without the leadership of our Board of Directors and the Board’s Sustainability and Shareholder Engagement Committee on stakeholder dialogue, transparency and continual improvement in our ESG policies and programs. I am also inspired by the commitment of our diverse and dedicated workforce. Their enthusiasm and energy for our net-zero pathway will be a competitive advantage as we move ahead.

Climate change is one of the greatest challenges facing the world today, and Oxy is taking action to be part of the solution. We are focused on meeting society’s needs for energy and essential products while reducing our greenhouse gas emissions and helping others do the same. There is a lot of work ahead, but I am confident that we have the strategy, resources, infrastructure and talent to serve our shareholders, customers and society as a carbon management leader.

Vicki Hollub
President and Chief Executive Officer
STRATEGY TO ACHIEVE NET ZERO

- REVOLUTIONIZE
- REDUCE
- REUSE/RECYCLE
- REMOVE
STRATEGY TO ACHIEVE NET ZERO

Oxy is taking bold steps to innovate for a lower-carbon future. We are forging new ways to reduce emissions across our energy and chemical operations while providing products and services to help others do the same. We were the first U.S. oil and gas company to announce our support of the Paris Agreement by setting goals to achieve net-zero GHG emissions associated with our operations (Scope 1 and 2) by 2040, and with our total carbon inventory including the use of our sold products (Scope 1, 2 and 3) by 2050. Beyond 2050, our mission continues: total carbon impact through global deployment of carbon capture, utilization and storage (CCUS), direct air capture (DAC) and other solutions to advance a net-zero world.

Oxy has the largest CO₂ management operations in the world, safely and permanently storing up to 20 million metric tons of CO₂ annually in secure geologic formations as part of our enhanced oil recovery (EOR) operations in the Permian Basin while providing robust, transparent measurement of the stored carbon. Our subsurface expertise enables us to broaden our portfolio of storage options beyond oil and gas fields to include saline formations. A key differentiator is our comprehensive, enterprise-wide strategy, which is predicated on our 50 years of experience with integrated carbon management and large-scale carbon separation, transportation, use, recycling and storage applied in our EOR business, as shown in Appendix IV. By leveraging this expertise, we are positioned for success in a low-carbon economy with a competitive advantage that enhances our existing business and sets us apart from our peers.

Oxy’s sustainable business strategy builds upon our strengths as an oil and gas and chemical producer. We have a deep understanding of the geology and geophysics of subsurface formations, drilling and completion of injection wells, the fluid dynamics of CO₂ operation of critical national infrastructure, and chemical process technology and controls, all of which are necessary for DAC and CCUS.

We received U.S. Environmental Protection Agency (EPA) approval of three geologic storage Monitoring, Reporting and Verification (MRV) plans for our CO₂ operations in Hobbs, New Mexico, Denver City, Texas, and the West Seminole San Andres Unit, also in the Texas Permian Basin. The Hobbs and Denver City plans were the first-ever approved by EPA for simultaneous CO₂EOR and sequestration. The MRV plan approval process provides a credible and transparent framework for assessing the suitability of underground formations for safe, permanent storage and for reporting the amount of CO₂ stored.

With our large-scale CO₂ infrastructure and core competency in CO₂ management, we have made significant progress in developing Oxy Low Carbon Ventures (OLCV). OLCV integrates Oxy’s DAC business (see 1PointFive, page 13), NET Power investment (see NET Power, page 8) and multiple other innovative low-carbon businesses.

CARBON MANAGEMENT BY THE NUMBERS

Oxy’s global leadership in the safe and permanent storage of CO₂ is central to our strategy to achieve Net Zero.

A TOP PRODUCER IN THE PERMIAN BASIN WITH

2.9 million NET MINERAL ACRES

Equivalent to approximately 4,700 square miles — about 15 times larger than New York City

CO₂ STORED

Up to 20 million METRIC TONS STORED ANNUALLY

EXISTING CO₂ INFRASTRUCTURE

13 CO₂ PROCESSING AND RECYCLING PLANTS

2,500 miles OF ACCESSIBLE CO₂ PIPELINES

VERIFICATION

Three U.S. EPA-approved MONITORING, REPORTING AND VERIFICATION (MRV) PLANS
Oxy is actively implementing multiple pathways to Net Zero to advance the goals of the Paris Agreement. Our strategy employs four key elements to achieve net-zero emissions in our operations and energy use before 2035 and no later than 2040, and in our total carbon inventory including the use of our products before 2050.

**REVOLUTIONIZE**
Revolutionize carbon management by applying our 50 years of leadership in CO\textsubscript{2} separation, transportation, use, recycling and storage to invest in and deploy leading-edge technologies, and promote collaboration with industry, government and NGOs, using an integrated approach that benefits Oxy’s stakeholders and the world.

**REDUCE**
Reduce emissions across our operations through employee-driven innovation and excellence and state-of-the-art, cost-effective technologies.

**REUSE/RECYCLE**
Reuse and recycle CO\textsubscript{2} with technologies and partnerships that use captured CO\textsubscript{2} to enhance existing products and produce new low-carbon or zero-emissions products.

**REMOVE**
Remove existing CO\textsubscript{2} from the atmosphere in significant amounts for beneficial use and safe, permanent sequestration by developing, proving and deploying innovative capture technologies and market mechanisms at commercial scale to further the goals of the Paris Agreement.
Oxy has invested in revolutionary direct air capture, zero-emissions power generation and monitoring technologies and partnered with innovative leaders across the carbon value chain to advance net zero from our operations, purchased energy use and the use of our products. Our investment in NET Power’s zero-emissions power generation from natural gas is an example of our aim to revolutionize carbon management and advance the Paris Agreement while ensuring a reliable, affordable and sustainable energy supply for society. We believe that NET Power’s small surface footprint and even smaller environmental footprint will enable us to pair NET Power generation with our existing operations and with DAC, carbon capture and sequestration, and innovative CO2 product development to accelerate our pathway to net zero.

**ZERO-EMISSIONS POWER: NET POWER**

Natural gas is an affordable, reliable fuel. Today, the United States alone has almost 1900 natural gas power plants which supply essential electricity, but without carbon capture they contribute to global CO2 emissions.

Oxy is an early investor in NET Power, whose technology generates zero-emissions electricity while utilizing and capturing natural gas power generation, providing zero-emission power to deliver affordable clean energy. The technology uses the captured CO2 within its generation process, improving economics and creating reliable, cost-competitive power. NET Power facilities will have a minimal footprint when compared to wind and solar facilities, making them a practical and efficient part of low-carbon power generation. These facilities can be deployed alongside other CO2 reduction technologies, such as DAC, geologic storage or use in products, to further reduce emissions. With its capacity to produce emissions-free, 24/7 energy, NET Power is expected to be a strong complement to renewables like wind and solar. NET Power is currently designing a full-scale commercial facility planned for operation in 2025. Power generation with zero emissions, competitive cost and continuous production will be an important part of our low-carbon future.
NET POWER DELIVERS ELECTRICITY TO GRID IN MAJOR TECHNOLOGICAL BREAKTHROUGH

In November 2021, NET Power’s 50 MW test facility synchronized with Texas’ ERCOT grid for the first time. In what NET Power’s CEO Ron DeGregorio calls “a Wright-brothers-first-flight kind of breakthrough for energy”, the plant located in La Porte, Texas, exported enough electricity to power more than 1,000 homes.

GETTING TO ZERO COALITION – GLOBAL MARITIME FORUM

Oxy is a member of the Getting to Zero Coalition, a partnership formed by the Global Maritime Forum, the Friends of Ocean Action and the World Economic Forum. This coalition brings together global decision-makers from across the maritime shipping value chain with key stakeholders from the energy sector and from governments with a Call to Action to reduce shipping-related emissions by at least 50% by 2050, and to support industrial scale zero-emissions shipping projects and policy measures to make zero-emissions shipping the default choice by 2030.

Oxy recognizes the challenges associated with reducing emissions in the shipping sector. We believe net-zero oil can be achieved by 2030.

4CPE AUTO REFRIGERANT

OxyChem’s Geismar, Louisiana plant manufactures 4Cpe, which is a raw material used in making advanced, low-emissions auto refrigerants. These products have zero ozone-depletion potential and a Global Warming Potential (GWP) of 1 compared to conventional R-134a refrigerant used in the automobile industry today, which has a GWP of 1,430. The 4Cpe manufacturing process was developed by OxyChem scientists and patented globally.

TERRALITHIUM

A joint venture with All American Lithium, TerraLithium uses patented technologies like Direct Lithium Extraction (DLE), which extracts lithium from geothermal waste brines, and direct lithium hydroxide conversion to produce responsible, cost-effective ultra-high purity lithium for the rapidly growing lithium-ion battery market. In 2021, the U.S. Patent Trial and Appeal Board affirmed the validity of 28 claims for two of TerraLithium’s patents.

CEMVITA FACTORY

Oxy Low Carbon Ventures is a founding investor in this Houston-based biotech startup. Cemvita has developed technologies for a CO₂ utilization platform that mimics photosynthesis, using CO₂ as feedstock to produce industrial chemicals and polymers. By commercializing these new bioengineered pathways for CO₂, Cemvita harnesses the power of nature to turn captured CO₂ into a valuable feedstock that can be used to create sustainable products.

PVC AND CAUSTIC POTASH FOR DAC

OxyChem is a world leader in the customization, handling and usage of polvynil chloride, which will be a major component in the construction and ongoing operation of direct air capture facilities. It is also one of the world’s leading producers of caustic potash, the key chemical utilized in the direct air capture process to separate CO₂ from sequestration, carbon-neutral enhanced oil recovery or CO₂ product development.

PROJECT AVOID

At Oxy, we recognize a need for constant evolution and innovation in all aspects of our business; this includes developing and deploying advancements in emissions detection and reduction technologies that go beyond what regulatory agencies require. As an example, Audio, Visual and Olfactory (AVO) inspections serve to detect potential emissions by the technician performing the inspection. While effective at the time the inspection is being performed, we wanted to expand our monitoring capabilities, particularly at remote locations.

Senior Automation Engineer Andrew Pruet offered a solution: increase frequency of monitoring through automation and reduce costs in the process. Andrew recalls: “Being an amateur electronics hobbyist, I mentioned I was aware of some low-cost methane sensors that could possibly fulfill the “O” of AVO. It needed $200-300 and a few weeks to build a piece of equipment that could record methane readings and send them to our cloud.” The project began as remote methane monitoring, but soon expanded dramatically. Now, a single Project AVOID device can seamlessly perform all aspects of an in-person AVO inspection remotely. Powered by solar panels, the device collects data including methane levels, temperature and humidity as well as live audio and video.

The Project AVOID device makes 24/7 AVO monitoring possible. Oxy is currently running a pilot to test durability and reliability in various weather conditions. Our next step will be to present the AVOID device to regulatory agencies for approval to replace manual AVO inspections, enabling operators to reduce driving between inspections and have more time to focus on repair and maintenance activities.

TECHNICAL ADVISORY SERVICES FOR CCUS

With 50 years of experience in CO₂ handling and permanent storage and up to 20 million metric tons stored annually in our Permian Basin operations, Oxy’s consulting engineers are qualified to offer carbon management capabilities, guidance and options. Services include consulting, engineering, project development and operational management of sequestration sites across the project lifecycle.

Engagements and deliverables include feasibility studies, financial models, tax credit assessments, peer reviews and CO₂ monitoring programs. Oxy’s specialized project engineering services integrate a number of disciplines, covering areas from functional protocols and regulatory issues to the latest technical advances. We provide expertise in capture plant engineering as well as storage site selection, seismic analysis, reservoir modeling and well engineering for geologic storage.

The LCV Services Team serves Project Tundra, an initiative to build the world’s largest carbon capture facility at the Milton R. Young Station in North Dakota. The project envisions capture and permanent sequestration of about 4 million metric tons of CO₂ per year. Minnko Power Cooperative is leading the project, along with research support from the Energy & Environmental Research Center at the University of North Dakota. The project recently received a Class VI permit for CO₂ storage from the state of North Dakota, one of two states authorized by the EPA to implement an underground injection control program for Class VI injection wells under the Safe Drinking Water Act. Also, in conjunction with Svante Inc., LafargeHolcim, Kiewit Engineering Group Inc. and TotalEnergies, OLCV is evaluating a proposed commercial scale carbon capture facility at the Holcim Portland Cement Plant in Florence, Colorado.
To advance our net-zero goals in our operations, Oxy employs multiple techniques and technologies to limit gas flaring, improve energy efficiency and decrease energy use. We innovate with a focus on safety, enhancing performance and managing costs. These efforts are accelerating as we update our plans for achieving our 2024 reduction goal, 2025 carbon and methane goals and the World Bank’s “Zero Routine Flaring by 2030” initiative.

**DUAL FUEL FOR DRILLING RIGS/ FIELD POWER**

Oxy has continued to expand our fleet of Tier 4 rigs. These rigs enable Oxy’s drilling contractors to significantly reduce emissions of CO₂ and other compounds by utilizing low-emission compressed natural gas (CNG) instead of diesel fuel during most operations.

Our Tier 4 rigs, in comparison to the typical Tier 2 diesel fuel-powered rig, have the advantage of replacing diesel usage by up to 96 percent with CNG. The switch to CNG in drilling rigs has decreased emissions and provided other benefits compared to traditional diesel rig operations, including:

- Nitrogen oxide reductions of up to 75%, which helps to reduce ozone formation
- Particulate matter reductions of up to 90%
- Sulfur oxide reductions of up to 50%
- Lower levels of noise

Across our U.S. onshore assets, our transition to using dual fuel frac fleets and drilling rigs has saved over 6 million gallons of diesel in 2021, lowering cost and reducing emissions.

In addition, Oxy is expanding our electrification of equipment and operations to further reduce emissions. For example, we expect to deploy electric drilling and well servicing rigs in areas close to existing electric power infrastructure, and we are working with utilities and other operators to extend electricity distribution to more wells and facilities.

**GOLDSMITH 16 MW PV SOLAR**

Completed in 2019, Oxy’s Goldsmith Solar Plant is a 16 MW photovoltaic solar field and was Texas’ first large-scale solar facility that powers oil and gas operations. It continues to directly power our EOR operations with electricity, reducing the Goldsmith EOR field’s CO₂ emissions by over 30% compared to purchased electricity from the grid.

In 2020, the facility generated 37,358 megawatt hours of electricity, reducing the Goldsmith EOR field’s CO₂ emissions by over 30% compared to purchased electricity from the grid.
OXY RECOGNIZES METHANE AND CO₂ AS VALUABLE PRODUCTS THAT ARE ESSENTIAL TO OUR OPERATIONS, AND WE DEPLOY A DIVERSE AND GROWING ARRAY OF STRATEGIES, TECHNOLOGIES AND CONTROLS TO REDUCE GHG EMISSIONS IN OUR OIL AND GAS AND CHEMICAL OPERATIONS, SEVERAL OF WHICH ARE HIGHLIGHTED IN THIS SECTION.

**INFRARED OGI CAMERAS FOR LEAK DETECTION**

Facilities subject to state and federal requirements (such as NSPS 0000Aa) are surveyed using optical gas imaging (OGI) cameras to monitor emissions. Oxy’s operators receive OGI training, which covers the capabilities of the cameras, identifiable gases, camera setup and operation, in-field survey techniques under varying weather conditions, and proper safety practices.

**EMISSIONS TECHNOLOGY TEAM**

Oxy’s Emissions Technology Team is implementing advanced remote emissions monitoring technologies using drones, aircraft and satellites. These technologies help identify, detect, monitor and predict unplanned emissions events, and alert Oxy’s operations, maintenance and air quality personnel for rapid action. The Emissions Technology Team is also working with technology providers and data scientists to evaluate improvements to techniques to estimate and measure methane emissions, which is a core component of Oxy’s carbon management business.

In 2021, Oxy deployed over 50 Unmanned Aerial Vehicles (UAV), commonly known as drones, at several of our oil and gas production facilities. This rapidly evolving technology allows us to acquire important operational and environmental data, including detection of emission sources, asset integrity inspection and habitat conservation and restoration. More than 30 Oxy personnel have received Remote Pilot Certificates from the Federal Aviation Administration to operate the drones. At our DJ Basin facilities, we use UAVs to survey thousands of wellheads as part of a voluntary initiative to reduce emissions. In the Permian Basin, UAVs help identify emissions from hard-to-access areas of facilities, such as tank hatches. The program enhances safe access to equipment, reduces cost and facilitates early identification of maintenance issues.

**FIND IT | FIX IT | MEASURE IT | PREDICT IT PROGRAM**

Oxy’s Find It, Fix It, Measure It, Predict It program enlists our key resources – our dedicated operators and maintenance personnel - to identify and fix unplanned emissions. The program includes training, inspection and reporting tools for operations personnel and close coordination with Oxy’s Air Quality Team, and also leverages reports from on-site and remote-sensing technologies to expedite repairs and minimize emissions.

**REDUCED EMISSIONS COMPLETIONS**

Oxy implements Reduced Emissions Completions (RECs) to capture gas at the wellhead during completion and minimize releases to the atmosphere. We also plan our drilling programs and facilities in tandem to deploy the necessary infrastructure in advance of well completion where feasible so that methane and other emissions can be captured and sent to processing facilities and pipelines for sale.

**ELIMINATE HIGH-BLEED PNEUMATIC VALVES**

As part of our commitment to The Environmental Partnership (TEP), we remain dedicated to reducing methane emissions by retrofitting or replacing high-bled pneumatic valves with low or no-bled valves. Oxy set an annual sustainability goal to replace 900 such controllers in 2021, which has been achieved.

**INSTALL VAPOR RECOVERY OR VAPOR COMBUSTION UNITS**

When designing new facilities and upgrading existing facilities, Oxy seeks to replace flares and vents where feasible and safe with closed systems that route gas to vapor recovery towers or vapor recovery units (VRUs) that capture volatile organic compounds and methane, or to vapor combustion units (VCUs) to combat excess gas when a VRU is unavailable. The installation of VRUs and VCUs is a key element of our efforts to reduce air emissions and flaring. For example, Oxy’s New Mexico facilities implemented a closed loop flowback system with a VRU that captures vapor from flowback fluids directly into the gathering system. This gathering system represents a 60% reduction in CO₂ emissions compared to the pre-existing system.

**TANKLESS FACILITY DESIGNS**

Oxy’s designs for new oil and gas facilities in the Permian and DJ Basins use pipelines instead of trucks to transport oil to a centralized processing facility, eliminating the need for oil storage tanks near wells. These innovative facility designs decrease our environmental footprint and reduces emissions, dust, noise and truck traffic.

**COGENERATION AND HYDROGEN USE AT OXYCHEM**

Natural gas and steam cogeneration has significantly reduced electrical power usage at OxyChem’s facilities and adjacent third-party plants, and enabled Oxy to supply surplus electricity to the grid to serve local and regional communities near OxyChem’s operations.

OxyChem’s Taft, Battleground and Ingleside facilities use hydrogen byproduct from the chlor-alkali process to generate power and reduce its demand for natural gas. Hydrogen substitution has reduced OxyChem’s CO₂ emissions by 490,000 MT annually, as well as its GHG intensity.

In 2020, the American Chemistry Council (ACC) recognized OxyChem with Energy Efficiency Achievement Awards for eight new initiatives at six plants in Tennessee, Texas and Kansas. These initiatives significantly reduced energy use and GHG emissions by using hydrogen-fueled boilers and other equipment.

**2030 TARGET TO COMPLETELY ELIMINATE ROUTINE FLARING**

Oxy is committed to continuously improve operational performance by implementing best practices and technologies to reduce our emissions and maximize the use of our natural gas production. Oxy was the first U.S. oil and gas company to endorse the World Bank’s initiative for Zero Routine Flaring by 2030. We are implementing a diverse range of projects to capture natural gas that is currently being flared for sale or for on-site beneficial use in energy production or power maintenance. Through these practices, we have already achieved our goal of zero routine flaring in our DJ Basin operations. We are an active participant in emissions reduction programs such as OGCI and TEP.

In 2021, Oxy was recognized by the New Mexico Environment Department (NMED) for endorsing the state’s Environmental Improvement Board’s efforts to reduce flaring through more stringent regulations. Oxy believes that policies and regulations developed and supported by a consensus of stakeholders who bring different perspectives to the table are more practical, sustainable and create the best results.
**PROJECT INTERSEQT**

This first-of-its-kind, cross-industry partnership plans to utilize 45Q tax credits to accelerate carbon capture infrastructure development, reduce CO2 emissions and permanently store CO2 through geologic sequestration. This project is expected to capture 700,000 metric tons per year of CO2 emissions from two of White Energy’s ethanol plants in Hereford and Plainview, Texas. Captured CO2 will then be transported to Oxy’s West Seminole EOR field for injection and sequestration to create low-carbon or carbon-neutral oil. For White Energy, the removal of CO2 emissions from their operations also reduces the carbon intensity of the ethanol they produce.

Oxy and White Energy have submitted a design-based pathway application to the California Air Resources Board (CARB) to obtain credits under Tier II of the California Low Carbon Fuel Standard.

**NET POWER**

Oxy is an investor in NET Power. NET Power utilizes the NETPower Cycle, which generates zero-emissions power from natural gas and captured CO2. In addition, excess captured CO2 can be used in other processes such as EOR or manufacturing of low-carbon products. Currently, there are nearly a dozen NET Power plants in development around the world.

Oxy and bio-engineering startup Cemvita Factory announced a plan to construct and operate a one metric ton per month bio-ethylene pilot plant, applying a jointly developed technology using human-made CO2 instead of hydrocarbon-sourced feedstocks. The pilot project will scale up the process that was successful in laboratory tests, which demonstrated the technology can be competitive with hydrocarbon-sourced ethylene processes. Ethylene is widely used in the chemical industry, primarily as a precursor to polymers, creating durable, long-life products. Start-up of the pilot plant is expected in 2022.
Remove existing CO₂ from the atmosphere in significant amounts for beneficial use and safe, permanent sequestration by developing, proving and deploying innovative capture technologies and market mechanisms at commercial scale to further the goals of the Paris Agreement.

DEVELOPING THE FIRST DAC FACILITY IN THE PERMIAN: 1POINTFIVE

Oxy formed 1PointFive to commercialize Carbon Engineering’s direct air capture (DAC) facilities at an industrial scale. DAC captures legacy CO₂ from the atmosphere and is regarded by the IPCC and other international organizations as a key technology that must be deployed in the near term at scale to meet the goals of the Paris Agreement. DAC works by pulling air into a large air contactor system, which looks like a cooling tower with a series of giant fans. The air comes in contact with a solution of potassium hydroxide (one of OxyChem’s products), resulting in a chemical reaction that traps CO₂ from the air in a liquid solution.

1PointFive has retained Worley, a global company headquartered in Australia, for the Front End Engineering and Design (FEED) phase of its first DAC facility in the U.S.—DAC 1. Upon successful completion of FEED, DAC 1 is expected to advance into the engineering, procurement and construction (EPC) phase in 2022, with a target of commencing operation in 2024.

Oxy is designing DAC 1 to be built and commissioned in stages. The first stage is expected to remove 500,000 metric tons of atmospheric CO₂ annually, serving as a starting point for the acceleration of commercial-scale DAC deployment as critical infrastructure to help governments and companies around the world meet CO₂ emissions reduction targets. Oxy is also designing a second stage at DAC 1 that would enable removal of an additional 500,000 metric tons of CO₂ at the site.

CARBON ENGINEERING TECHNOLOGY: HOW IT WORKS

Air → Capture Solution → Pellets → Pure CO₂ for Use or Storage

CO₂ Rich Solution → Water → Energy
CARBON FINANCE LABS

As DAC and CCUS projects gain traction, there will be a need for defined, accepted and transparent carbon tracking processes to open new markets for Oxy products. Oxy Low Carbon Ventures’ partnership with Carbon Finance Labs (CFL) seeks to do this by leveraging new information technology, updated regulations and marketplaces to craft solutions that create entirely new high-value carbon products and services.

One example: CFL has developed CarbonSig, a product that creates actionable insight for buyers looking to reduce their supply chain’s carbon footprint. It also enables suppliers to market carbon differentiated products.

XSPANSIV

Oxy Low Carbon Ventures is partnering with Xpansiv to launch its first carbon-attributed, tradeable oil and gas product that accounts for its carbon intensity by incorporating emissions reductions from CCUS operations. Xpansiv provides a global marketplace for transacting energy and environmental commodity products such as carbon, renewable energy, and water.

DIRECT AIR CAPTURE AND GEOLOGIC SEQUESTRATION

Oxy is developing projects involving CO2 capture from DAC units, as well as industrial sources, for permanent geologic carbon sequestration. With over 50 years of experience in CO2 handling and permanent storage, Oxy is uniquely qualified to offer carbon management capabilities and options. These include both project ownership by OLCV and project services for other owners.
GOALS AND TARGETS

NET-ZERO GOALS
INTERIM TARGETS FOR GHG EMISSIONS REDUCTIONS AND LOW CARBON VENTURES

ACCOMPLISHMENTS:
ENHANCED EMISSIONS ESTIMATES AND MEASUREMENTS
SUSTAINABILITY-LINKED CREDIT FACILITIES
NET-ZERO GOALS

In 2020, Oxy adopted the following goals to achieve Net Zero across our total emissions inventory in accordance with the Paris Agreement:

- **Net-zero emissions in our operations and energy use (Scope 1 and 2) before 2040, with an ambition to achieve before 2035;**
- **Net-zero for our total emissions inventory including product use (Scope 1, 2 and 3) with an ambition to achieve before 2050; and**
- **Total carbon impact through carbon removal and storage technology and development past 2050.**

To achieve progress toward our net-zero goals and ambitions, Oxy has established a range of interim targets that address Scope 1, 2 and 3 emissions, applying the short-, medium- and long-term time frames adopted by Climate Action 100+. This section describes our recent progress on these targets, which are also summarized by time frame in Appendix III.

Additional sustainability information and performance metrics are available at: oxy.com/sustainability.

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**KEY INTERIM TARGETS**

**OXY OIL AND GAS**

<table>
<thead>
<tr>
<th>Metric</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Operational GHG Emissions Intensity</td>
<td><strong>0.02 MTCO₂e/BOE</strong>&lt;br&gt;By 2025&lt;sup&gt;(2)&lt;/sup&gt;</td>
</tr>
<tr>
<td>Methane Emissions Intensity</td>
<td>&lt;<strong>0.25%</strong>&lt;br&gt;Of Marketed Gas&lt;br&gt;By 2025&lt;sup&gt;(3)&lt;/sup&gt;</td>
</tr>
<tr>
<td>Routine Flaring Elimination</td>
<td>↓<strong>100%</strong>&lt;br&gt;By 2030</td>
</tr>
</tbody>
</table>

**OXYCHEM**

<table>
<thead>
<tr>
<th>Metric</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reduce Total Operational GHG Emissions by OxyChem</td>
<td>↓<strong>187,990 MTCO₂e</strong>&lt;br&gt;By 2025 vs Multi-Year Baseline</td>
</tr>
<tr>
<td>Total Operational GHG Emissions</td>
<td>↓<strong>2.33%</strong>&lt;br&gt;By 2025 vs Multi-Year Baseline</td>
</tr>
<tr>
<td>Total Operational GHG Emission Intensity</td>
<td>↓<strong>2.7%</strong>&lt;br&gt;By 2025 vs Multi-Year Baseline</td>
</tr>
</tbody>
</table>

**NEW COMMITMENTS IN 2021**

<table>
<thead>
<tr>
<th>Metric</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reduce Total Operational GHG Emissions from Oil and Gas and OxyChem by</td>
<td>↓<strong>3.68 MILLION MTCO₂e</strong>&lt;br&gt;By 2024 vs 2021 Emissions</td>
</tr>
<tr>
<td>Facilitate Geologic Storage or Use of Captured CO₂</td>
<td>↓<strong>25 MILLION MTCO₂</strong>&lt;br&gt;By 2032</td>
</tr>
</tbody>
</table>

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<sup>(1)</sup> These targets would be adjusted for significant transactions or changes in methodology in accordance with the GHG Protocol.<br>
<sup>(2)</sup> Total Operational GHG Emissions refers to Scope 1 + 2 emissions from Oxy’s operated assets.<br>
<sup>(3)</sup> Methane emissions intensity refers to the amount of methane emissions from Oxy’s operated oil and gas assets as a percentage of the total gas produced and marketed.<br>
<sup>(4)</sup> In December 2021, OGCI announced new collective carbon and methane intensity ambitions of 0.017 MTCO₂e/BOE and 0.20%, respectively, by 2025. Oxy is currently evaluating these ambitions with respect to our operated assets.
We report performance using the API Compendium of Greenhouse Gas Emissions Methodologies for the Oil and Natural Gas Industry; IPIECA Sustainability Reporting Guidance for the Oil and Gas Industry; Sustainability Accounting Standards Board (SASB) standards and indicators for the oil and gas and chemicals sectors; IPCC Guidance for National Greenhouse Gas Inventories; and, with respect to U.S. operations, the U.S. EPA Mandatory Greenhouse Gas Reporting Rule. We will continue to engage proactively with our stakeholders to address and report on climate-related risks and opportunities associated with our operations and our value chain.

### Interim Targets for GHG Emissions Reductions and Low Carbon Ventures

<table>
<thead>
<tr>
<th>Target</th>
<th>Update</th>
<th>Target</th>
<th>Update</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reduce total oil and gas operational GHG emissions intensity to 0.02 MTCO₂e/BOE by 2025</td>
<td>In 2020, oil and gas operational GHG emissions were reduced from 0.034 in 2019 to 0.033 MTCO₂e/BOE.</td>
<td>OxyChem has set a target to reduce total operational GHG emissions (CO₂e) by 2.33% by 2025.</td>
<td>OxyChem reduced total operational GHG emissions by over 7.5% from multi-year baseline.</td>
</tr>
<tr>
<td>Reduce methane emissions intensity to below 0.25% (based on marketed gas production), by 2025.</td>
<td>Despite a decrease in overall methane emissions, methane emissions intensity of our marketed gas production increased modestly from 0.47% to 0.49% in 2020, driven by the sale of gas assets in Utah.</td>
<td>OxyChem has a target to reduce total operational GHG emissions intensity of its products (CO₂e/ton of product) by 2.70% by 2025.</td>
<td>OxyChem’s total operational GHG emissions intensity increased by 1.34% from multi-year baseline.</td>
</tr>
<tr>
<td>Oxy endorsed and committed to the World Bank’s “Zero Routine Flaring by 2030” initiative. Oxy expects to eliminate all (100%) routine flaring by 2030.</td>
<td>In 2020, Oxy reduced total flaring by 30% compared to 2019. Oxy also began applying the World Bank’s classification of routine flaring in our operations.</td>
<td>Limit the upstream CO₂ emissions intensity for new U.S. oil and gas field production activities to a level that is at least 30% below the 2021 value.</td>
<td>The CO₂ emissions per BOE of throughput in 2021 from our major new or expanded U.S. onshore facilities were, in the aggregate, 75% lower than from our new or expanded facilities in 2018.</td>
</tr>
<tr>
<td>Fulfill The Environmental Partnership commitments for leak detection surveys and high-bleed pneumatics.</td>
<td>In 2020 and 2021, Oxy completed thousands of leak surveys, far exceeding our TEP target. In addition, we retrofitted 925 high-bleed pneumatic controllers in 2021.</td>
<td>Establish additional short-term targets to advance our net-zero goals.</td>
<td>Set target to reduce Oxy’s combined Scope 1 and 2 CO₂ emissions from our worldwide operated assets by at least 3.68 million metric tons per year by 2024, compared to our 2021 emissions.</td>
</tr>
<tr>
<td>Continue to stress the importance of the reduction of methane emissions across Oxy’s operations and beyond.</td>
<td>In 2021, Oxy endorsed the Oil and Gas Methane Partnership 2.0 to collaborate further on methane reductions across our value chain.</td>
<td>Establish additional medium-term target to supplement our existing goals and ambitions.</td>
<td>Set target to facilitate 25 million metric tons per year of geologic storage or utilization of captured CO₂ in our value chain by 2032, or other means of technologically feasible climate mitigation.</td>
</tr>
</tbody>
</table>

### 2020 Annual Metric

**Progress on 2020 Annual Sustainability Goals**

- Advance CCUS projects by conducting FEED on projects capturing (or reducing emissions of) 75 MMcfd of CO₂
- Advance CCUS technology by investing, testing or trialing 2 carbon reduction projects
- Develop pre-FEEDY feasibility projects capturing 500 MMcfd of CO₂

**Update**

Oxy formed a development company, 1PointFive, to implement Carbon Engineering’s large-scale DAC technology. Collectively, Oxy and our partners are in the FEED stage in DAC and CCUS projects of over 75 MMcfd of CO₂. We are also in various stages, from feasibility studies to pilot scale, of developing low-carbon technology initiatives. These include NET Power, Cemvita and multiple CCUS projects totaling over 500 MMcfd of CO₂.
GHG EMISSIONS METRICS\(^{(1)}\)

**Total Operational GHG Emissions**\(^{(2)}\) (Scope 1 & 2)

- **Oxy Oil and Gas**
- **OxyChem**

**2019**
- Total Operational GHG Emissions: 27.65
- Scope 1 GHG Emissions: 1.99
- Scope 2 GHG Emissions: 25.66

**2020**
- Total Operational GHG Emissions: 27.44
- Scope 1 GHG Emissions: 3.21
- Scope 2 GHG Emissions: 24.23

Methane (CH\(_4\)) Emissions\(^{(3)}\)

- **Oxy Oil and Gas**
- **OxyChem**

**2019**
- 4.29

**2020**
- 4.16

OIL AND GAS FLARING SUMMARY\(^{(1)}\)

**Flare Volumes\(^{(4)}\)**

- Total Flare Volumes: 953 (2019), 808 (2020)

\(^{(1)}\) Certain emissions and intensity estimates have been updated from those previously reported. See page 20 for more detail on our enhanced emissions estimates.

\(^{(2)}\) 2019 Oxy Oil and Gas data include Oxy and Anadarko operated oil and gas assets. For both GHG emissions and GHG intensity estimates, we have included Anadarko operated emissions and operated production for the entire year (2019), although we acquired Anadarko in August 2019.

\(^{(3)}\) Estimated methane emissions have been converted to CO\(_2\)e by multiplying methane emissions by a Global Warming Potential of 25, which is used in EPA’s GHG Reporting Program.

\(^{(4)}\) In 2020, Oxy endorsed the World Bank’s initiative for Zero Routine Flaring by 2030 and began applying the World Bank’s classification of routine flaring to company-specific data that year. Accordingly, the graph shows both the total and routine flaring volumes for 2020, but only the total flaring volume for 2019. Oxy has estimated 2019 routine flaring as 477 million cubic meters of gas using regional emission factors, but that is not displayed in the graph because of the change in methodology in 2020.
(1) Certain emissions and intensity estimates have been updated from those previously reported. See page 20 for more detail on our enhanced emissions estimates.

(2) 2019 Oxy Oil and Gas data include Oxy and Anadarko operated oil and gas assets. For both GHG emissions and GHG intensity estimates, we have included Anadarko operated emissions and operated production for the entire year (2019), although we acquired Anadarko in August 2019.

**OXY OIL AND GAS EMISSIONS INTENSITY SUMMARY**

<table>
<thead>
<tr>
<th>Emissions Intensity</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Operational GHG (Scope 1 + 2) Intensity</td>
<td>0.0338</td>
<td>0.0329</td>
</tr>
<tr>
<td>GHG Scope 1 Intensity</td>
<td>0.0279</td>
<td>0.0270</td>
</tr>
<tr>
<td>GHG Scope 2 Intensity</td>
<td>0.0059</td>
<td>0.0059</td>
</tr>
</tbody>
</table>

**Methane Emissions Intensity**

- Total Operational GHG (Scope 1 + 2) Intensity
- GHG Scope 1 Intensity
- GHG Scope 2 Intensity

**OXYCHEM EMISSIONS INTENSITY SUMMARY**

<table>
<thead>
<tr>
<th>Emissions Intensity</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Operational GHG (Scope 1 + 2) Intensity</td>
<td>0.157</td>
<td>0.698</td>
</tr>
<tr>
<td>GHG Scope 1 Intensity</td>
<td>0.477</td>
<td>0.515</td>
</tr>
<tr>
<td>GHG Scope 2 Intensity</td>
<td>0.0059</td>
<td>0.0059</td>
</tr>
</tbody>
</table>

**Methane Emissions Intensity**

- Total Operational GHG (Scope 1 + 2) Intensity
- GHG Scope 1 Intensity
- GHG Scope 2 Intensity

(2) 2019 Oxy Oil and Gas data include Oxy and Anadarko operated oil and gas assets. For both GHG emissions and GHG intensity estimates, we have included Anadarko operated emissions and operated production for the entire year (2019), although we acquired Anadarko in August 2019.
ENHANCED EMISSIONS ESTIMATES AND MEASUREMENTS

Building on our 2019 acquisition of Anadarko, Oxy is updating our operating management system to integrate health, safety, environmental and sustainability best practices from both organizations to enhance our performance. In 2021, we took the following actions, among others, to further integrate processes, methodologies and systems for estimating, measuring, reporting and reducing our GHG emissions:

- Continued to develop our pathway to net zero, incorporating more details of our trajectory to our 2040 net zero goal and our 2035 and 2050 net zero ambitions
- Increased our staff of experienced professionals in our Air Quality Group
- Formed a central Production Operations Group to lead our leak detection and repair and Find It/ Fix It programs, and coordinate U.S. onshore emissions reduction capital projects
- Implemented tankless facility designs in new construction
- Designed alternatives to flaring of gas during power outages or maintenance at Oxy or third-party pipelines and processing plants

- Established an Emissions Technology Team to evaluate remote sensing of potential emissions sources to expedite detection and repair of malfunctions
- Established a Carbon Accounting Group to update our reporting protocols and documentation
- Continued to expand our health, safety and environmental data management system to consolidate diverse data sources and increase the efficiency of reporting, repair and maintenance
- Incorporated more site-specific data into updated emissions estimates
- Expanded our ongoing physical inventory of emissions-generating equipment throughout our U.S. oil and gas operations and, in the interim, applied conservative assumptions regarding the number and type of such equipment in updating 2019 and 2020 emissions estimates
- Established a process to continue to update emissions estimates for prior years, including 2019 and 2020, in accordance with the GHG Protocol in the event of significant changes as additional data become available, we complete our physical inventory of emissions-generating equipment, or estimation methodologies are refined or supplemented by measurements, and to reflect significant changes to Oxy's assets, operations or emissions boundaries

The updated 2019 and 2020 emissions estimates reflecting the foregoing actions are attached in Appendix I for Scope 1, 2 and 3. The aggregate effect of the foregoing actions increased our combined 2019 Scope 1 and 2 CO2e emissions estimates by approximately 17% from the estimate in our 2020 Climate Report, driven by a change in equipment assumptions that increased the methane component by 136%, and increased our prior 2019 estimate of our CO2e intensity in our oil and gas upstream and midstream operations by approximately 40%, driven by the change to site-specific operated production data. Although the updated 2019 emissions estimates and intensity are higher than previously estimated, we have retained all of our ambitious targets and continue to implement emissions reduction plans that we believe will complement our investments in DAC, CCUS and other technologies and infrastructure. As we complete the ongoing actions noted above, such as the physical inventory and expanded use of site-specific data, we expect to make further refinements in our estimates.

For additional GHG-related data, see the Annual Performance Summary table at www.oxy.com/sustainability.
In 2021, Oxy refined our Scope 1 and 2 GHG emissions estimates to better reflect the ongoing integration of Oxy and Anadarko processes, methodologies and systems. As a result, Oxy commissioned ERM CVS to conduct and independent limited assurance verification process for Oxy’s updated 2019 and 2020 total Scope 1 and 2 GHG emissions. ERM CVS’ Independent Assurance Statement is attached in Appendix II.

In December 2021, Oxy became the first upstream U.S. oil and gas company to incorporate an Environmental, Social and Governance (ESG) key performance indicator into a revolving credit facility and a receivables securitization facility. During 2021, Oxy worked closely with HSBC Securities (USA) Inc. and TD Securities (USA) LLC as Co-Sustainability Structuring Agents and other members of our bank group to develop an appropriate sustainability metric that aligns with the shared net-zero goals of Oxy and our lenders. Under Oxy’s new credit facilities, the interest rate margin and the facility fee rates are subject to adjustment based on our performance on specified sustainability target thresholds with respect to absolute reductions in our combined Scope 1 and 2 GHG emissions from our worldwide operated assets from 2022 through 2024.

We adopted this sustainability metric as our 2024 short-term target, because it focuses on near-term actions in Oxy’s oil and gas, midstream and chemical operations towards our 2040 net-zero goal and 2035 net-zero ambition for Scope 1 and 2 emissions. The metric targets absolute reductions for 2022 through 2024, calculated as a percentage of Oxy’s 2019 baseline Scope 1 and 2 GHG emissions. Performance will be compared incrementally to 2021 emissions, without taking carbon offsets into account, and will undergo independent limited assurance verification each year. The credit facilities provide a mechanism for incorporating updated emissions estimates for 2019 or subsequent years in accordance with the GHG Protocol, such as in the event of significant changes to Oxy’s estimation methodologies, assets, operations or emissions boundaries. 2019 serves as our baseline because it was the year of Oxy’s acquisition of Anadarko and the year immediately preceding our establishment of our industry-leading net-zero goals.

We believe that Oxy’s proactive GHG emissions reduction projects under the new sustainability metric will complement our development of innovative DAC, CCUS, zero-emissions power and other technologies to further accelerate our pathway to net zero.
GOVERNANCE

BOARD OF DIRECTORS STRATEGIC OVERSIGHT
STAKEHOLDER ENGAGEMENT
GOVERNANCE

Our Board of Directors oversees Oxy’s strategy, including with respect to climate change, environmental performance and other sustainability matters. These matters are incorporated into regular Board and committee meetings, as well as the Board’s annual strategic review session as central elements of the company’s strategic plan.

The Board delegates certain elements of its climate oversight functions to standing committees, each of which is composed of independent directors. This committee structure is designed to help ensure the Board and its committees have the appropriate oversight of relevant sustainability issues. These committees regularly report on their reviews to the full Board.

ENVIRONMENTAL, HEALTH AND SAFETY COMMITTEE

Reviews environmental, health and safety performance as part of our risk management processes.

AUDIT COMMITTEE

Oversees our Enterprise Risk Management (ERM) process, which involves a cross-functional team reporting to our ERM Council. This group of senior executives is responsible for identifying, assessing, monitoring, managing and reporting enterprise risks, including climate risks.

SUSTAINABILITY AND SHAREHOLDER ENGAGEMENT COMMITTEE

Oversees stakeholder engagement, external reporting on ESG and sustainability matters, and the company’s social responsibility programs. The Committee also monitors climate-related public policy trends and related regulatory matters.

EXECUTIVE COMPENSATION COMMITTEE

Establishes the parameters and goals that determine executive compensation, including elements related to sustainability performance and climate-related targets.

Since 2018, the Board’s Executive Compensation Committee (the Compensation Committee) has set annual climate-related targets for executive officers, directly linking compensation to Oxy’s sustainability performance. In response to shareholder input, the Compensation Committee in 2021 increased the weight on sustainability metrics to 30% of the company performance portion of annual cash incentive compensation. The Compensation Committee adopted two annual sustainability metrics for 2021—carbon ventures project milestones and emissions reduction efforts. The carbon ventures metric focuses on business development for DAC, CCUS and low-carbon products that promote progress toward our 2050 net-zero ambition for our total carbon inventory, including Scope 3 emissions from the use of our sold products. The emissions reduction metric includes progress on deploying emissions monitoring and control technologies, designs and practices to promote short-term progress toward our 2040 net-zero strategy for Scope 1 and 2 emissions. More detail and results regarding these and other targets from our 2021 annual cash incentive for executive officers will be included in our 2022 proxy statement.
BOARD OF DIRECTORS STRATEGIC OVERSIGHT

Senior management reports to the Board of Directors on environmental and sustainability matters, including climate-related risks and opportunities, during regularly scheduled Board and Committee meetings, annual strategy sessions and informally during regular business. Throughout 2021, the OLCV team updated the Board on Oxy’s low-carbon strategy, including a review of objectives, the CO2 economy and competitive landscape, and low-carbon investment opportunities and current projects, such as the ongoing design of the first DAC facility. In addition to discussions with management, at its dedicated strategy session in September 2021, Dr. Julio Friedmann of Columbia University’s Center on Global Energy Policy presented to the Board on CO2 removal, with an emphasis on CCUS and DAC, and the energy transition. These agenda items reflect the Board’s engagement and efforts to heighten its understanding of how a low-carbon economy is expected to affect the company while supporting and strengthening Oxy’s shareholder value proposition. Future Board strategy discussions will continue to refine and enhance consideration of climate-related risks and opportunities.

The Board is committed to a diversity of thought, background and experience, as well as gender and ethnicity, in its membership. Our directors have a wide range of backgrounds and experiences, including in government service, non-governmental organizations and private sector industries.

The Board’s independent chair coordinates and approves meeting agendas and serves as a liaison with Oxy’s stakeholders.

STAKEHOLDER ENGAGEMENT

Oxy builds trust through regular and transparent communication and engagement with stakeholders including our shareholders, employees, leaders in the communities in which we operate, policy makers, environmental organizations, and our business partners. Our goal is to understand and proactively address issues to develop beneficial outcomes. The Board’s independent directors regularly meet with shareholders to hear their views on Oxy’s climate strategy, among other topics. We look forward to continuing this dialogue on emissions and climate-related risks and opportunities.

Oxy President and CEO Vicki Hollub and other executives are visible leaders in climate-related forums promoting the essential role of energy producers like Oxy, our workers and our communities in reducing global GHG emissions and achieving the goals of the Paris Agreement.

Oxy is a member of OGCI, a voluntary CEO-led initiative of 12 major international oil, gas and energy companies taking actions to mitigate climate change. OGCI members continue to leverage their collective strength to lower carbon footprints of energy, manufacturing and transportation value chains via engagements, policies, investments and deployment. Oxy executives hold several leadership positions within OGCI, including Ms. Hollub on the CEO Steering Committee and Richard Jackson, U.S. Onshore Resources and Carbon Management – President, Operations, on the Board of OGCI’s Climate Investments fund. Since its formation in 2018, the fund has deployed more than $350 million covering 22 investments in developers of innovative technologies to detect, capture, recycle, beneficially use and sequester GHG emissions.

Ms. Hollub, members of Oxy’s Board of Directors and representatives of investor relations, legal and environmental and sustainability teams regularly engage with stakeholders on ESG matters and opportunities pertinent to Oxy, including our carbon management strategy and the policies, technologies and market mechanisms that advance our net-zero goals and those of a wide range of other industry sectors.

Ms. Hollub is a member of the World Economic Forum, where she serves on the stewardship board for the Platform for Shaping the Future of Energy and Materials and the Oil and Gas Advisory Group. The Forum engages political, business, cultural and other leaders of society to shape global, regional and industry agendas. Oxy is signatory to the Forum’s Stakeholder Capitalism Metrics and its pledges to develop sustainable aviation fuels and reduce maritime emissions.
HIGHLIGHTS OF RECENT EXECUTIVE ENGAGEMENT

- In November 2020, Dr. Robert Zeller, Vice President of Technology for Oxy Low Carbon Ventures, presented a talk at the Vinyl360 Conference entitled “Moving Toward a Lower Carbon World.” Vinyl360 is the Vinyl Institute’s annual meeting, bringing together members from all areas of the vinyls value chain. Dr. Zeller discussed how OLCV is advancing Oxy’s vision of a low-carbon world, focusing on reducing our total carbon impact by decreasing operational emissions, increasing energy efficiency, and capturing and retiring more carbon than our products create, as well as providing solutions to others looking to do the same.

- In March 2021, Mr. Jackson provided comments in support of proposed CCUS legislation on behalf of the Carbon Capture Coalition, a nonpartisan collaboration of more than 80 businesses and organizations building federal policy support to enable economy-wide, commercial scale deployment of carbon capture, removal and storage technologies.

- In March 2021, at CERAWeek, Ms. Hollub participated in a “Getting to Net Zero” panel to discuss Oxy’s pathway to achieve net-zero emissions for Scope 1, 2 and 3 before 2050. Dr. Zeller participated in a session entitled “CCUS Emerging Business Models,” which covered the potential and the challenges in large-scale implementation of CCUS, widely recognized as playing a vital role across decarbonization scenarios.

- In April 2021, Ms. Hollub testified before the U.S. Senate Environment and Natural Resources Committee regarding, among other topics, Oxy’s focus on capturing and retiring more carbon than is released from the production and use of our products—and providing solutions to other industries. She also supported the use of the Congressional Review Act to restore federal regulation of methane emissions.

- In May 2021, Ms. Hollub presented Oxy’s views and actions to a live virtual audience at the annual Climate Science and Investment Conference hosted by the Columbia Climate School and the Tamer Center for Social Enterprise at Columbia Business School.

- In July 2021, Ms. Hollub co-chaired the Fortune CEO Initiative “Collaborative on Working Toward a Sustainable World,” which discussed strategies for building a green economy that expands opportunity while reducing waste and CO2 emissions.

- In September 2021, at the International Emission Trading Association’s North American Climate Summit, Michael Avery, OLCV’s Vice President of Business Development and CEO of iPointive, served on a panel discussion entitled “Deep Dive: Markets & Carbon Capture, Utilization and Storage (CCUS) / Direct Air Capture (DAC).” Ms. Hollub also participated in a dialogue to discuss DAC and CCUS technologies and the importance of market-based solutions and mechanisms for carbon pricing.

- In October 2021, at Princeton University’s Andlinger Center for Energy and the Environment, Charlie Weiss, Oxy’s Senior Vice President of Environmental and Sustainability, participated in a panel that examined the energy industry’s role in addressing climate change.

- In November 2021, Ms. Hollub was in Glasgow for the UN Conference of Parties and participated in a Worley-led CEO roundtable called “Beyond COP26: turning net zero ambitions into reality”; and also was a virtual member of a McKinsey-sponsored panel, titled “Solving the net zero equation.”

- In November 2021, Ms. Hollub led the Oxy delegation at the Abu Dhabi International Petroleum Exhibition and Conference (ADIPEC) and participated on a panel titled “Energy of the future: How are oil and gas companies evolving?” Members of Oxy’s teams led talks at our booth on building a low-carbon economy, DAC and NET Power, which is developing low-cost, zero-emissions power plants.

- In December 2021, Ms. Hollub was a keynote speaker at the World Petroleum Congress plenary session on “Building Partnerships,” where she highlighted how Oxy is working with vendors and partners to develop and build our DAC projects and CCUS.
POLICY POSITIONS, ADVOCACY AND ENGAGEMENT

OXY'S POSITIONS ON CLIMATE-RELATED POLICIES

OXY'S CLIMATE ADVOCACY AND ENGAGEMENT
At Oxy we recognize the scientific consensus on climate change and the need to lower both GHG emissions and atmospheric concentrations of CO\textsubscript{2}. Oxy was the first U.S. oil and gas company to establish goals for net-zero emissions that align with the Paris Agreement and to endorse the World Bank's initiative for Zero Routine Flaring by 2030.

We are a recognized world leader in the separation, transportation, use, recycling and storage of CO\textsubscript{2} with our five decades of experience. Our Oxy Low Carbon Ventures (OLCV) business was established in 2018 to build upon our carbon management experience to develop and utilize CCUS and DAC to achieve net zero. We support policies that incentivize investment in, and development of, these carbon capture technologies, including carbon sequestration tax credits, such as the federal Section 45Q tax credit; the direct payment of these credits; grants and loans for early CCUS and DAC technologies and CO\textsubscript{2} infrastructure; and public investments in research, development, and deployment of these technologies.

We focus on key enabling features of policy to help efficiently meet society's climate goals rather than narrowing to one proposed solution. A range of policy alternatives can be implemented effectively to support the goals of the Paris Agreement. We also recognize the growing consensus of international organizations and scientists regarding the need for significant removal of atmospheric CO\textsubscript{2} over the next 10 years in order to meet the Paris Agreement's goal of holding the temperature increase to well below 2 degrees Celsius and pursuing efforts to limit it to 1.5 degrees Celsius. We focus our efforts on the design of proposed policies seeking to advance technological solutions that can deliver significant rapid reductions in current CO\textsubscript{2} emissions and atmospheric CO\textsubscript{2} concentrations by leveraging existing infrastructure while continuing to supply consumers with affordable, reliable energy sources and essential products.

We believe both CCUS and DAC can, with incentives necessary for their commercial development and deployment, provide essential CO\textsubscript{2} reductions in the medium term, while governments evaluate proposals to comprehensively update electric grids and transportation systems and restructure economies over the long term.
PARIS AGREEMENT
We have publicly endorsed the goals of the Paris Agreement — including its aim to substantially reduce global GHG emissions in an effort to limit the global temperature increase in this century to 2 degrees Celsius above preindustrial levels, while pursuing the means to limit the increase to 1.5 degrees — and have developed our net-zero pathway to align with those goals. Putting our pathway into action, we are actively pursuing initiatives to reduce emissions associated with our operations, and OLCV is working to commercialize technologies to eliminate or reduce third-party GHG emissions and also developing DAC projects to remove CO₂ from the atmosphere to ultimately achieve net-negative CO₂ emissions.

NET-ZERO EMISSIONS
In Chapter 4 of their Sixth Synthesis Report released in September 2021, the IPCC notes that "to compensate for greenhouse gas emissions from sectors that cannot completely decarbonize or which may take a long time to do so" the deployment of CO₂ removal technologies, such as DAC, is necessary to achieve the aggregate emissions reductions called for in the Paris Agreement. Oxy believes that the quickest and most efficient path to net zero will utilize incentives for emissions reduction or elimination and allow the use of negative emission credits.

TECHNOLOGY AND INNOVATION INCENTIVES
We believe that public policy incentives and investments are critical for enabling the early deployment and scale-up of CCUS and DAC technologies and supporting infrastructure. This is true even where broader emissions reduction policies exist. Therefore, we support incentives for CCUS and DAC technologies that reduce and eliminate CO₂ emissions, create negative emissions, and help multiple industry sectors to achieve net zero.

• Carbon Capture, Utilization and Storage (CCUS): We strongly support CCUS, which is a proven solution for reducing CO₂ emissions from point sources. We advocate for policies that incentivize its widespread deployment.

• Direct Air Capture (DAC): DAC is a vital technology necessary to remove CO₂ directly from the atmosphere and will play a key role in Oxy’s net-zero pathway. We strongly support policy incentives to make the technology more economic and to accelerate its widespread deployment.

EMISSIONS REDUCTION POLICIES
We support proposals that, reduce GHG emissions, invest in CCUS and DAC technologies, and help develop the infrastructure needed for more widespread CCUS deployment. We also continue to support regulations that improve environmental quality and promote the health and well-being of communities and the environment.

• Carbon Pricing and Implementation: We believe that while a variety of policies can enable emissions reductions, a market-based mechanism with a baseline regulatory framework is the optimal way to achieve reductions. We also believe that any approach for establishing a carbon price should be developed in collaboration with interested stakeholders and the majority of the revenue raised should be invested in technologies to eliminate and reduce emissions.

• Carbon Tax: We believe that revenues raised from a carbon tax should primarily be invested in the development of CCUS and DAC technologies and infrastructure to optimize the rapid development of these technologies, particularly in energy-producing communities to promote a just transition. We expect that investment in these technologies will lead to net GHG emissions reductions that may render the tax as no longer necessary. We also believe that any tax should not limit the availability of reliable, affordable energy to those who need it most, particularly to farmers, businesses producing essential goods and disadvantaged communities.

• Carbon Border Adjustment Mechanism: We believe that international trade and climate policies should reward less carbon-intensive products as determined by transparent lifecycle analyses. We also believe that these policies should be aligned around the common goals of the Paris Agreement and must be carefully developed to prevent carbon leakage to non-participating nations while ensuring that U.S. manufacturers and exporters are not disadvantaged and remain competitive.

• Cap and Trade System: We believe that a trading system for GHG emissions must account for emissions avoided through CCUS and for negative emissions created by technologies like DAC and nature-based solutions.

• Clean Energy Standard (CES): We believe that a CES which incorporates CCUS and DAC can be an effective policy for reducing CO₂ emissions within the power sector. Our investments in solar power and NET Power, a zero-emissions technology for generating electricity from natural gas, strongly align with a CES.

• Low Carbon Fuel Standard (LCFS): We believe a LCFS regulatory approach should include CCUS and DAC technologies. We believe LCFS programs like that of the state of California are a very effective way to incentivize CCUS and DAC technologies, which are necessary for these programs to successfully achieve their emissions reduction goals.
WE ARE AN ACTIVE MEMBER OF THE CARBON CAPTURE COALITION (CCC) COMPRISED OF OVER 80 DIVERSE STAKEHOLDER MEMBERS FROM INDUSTRIES, UNIONS, AND NGOS WORKING TO SUPPORT FEDERAL LEGISLATION, REGULATIONS AND POLICIES TO INCENTIVIZE CCUS. THROUGH OUR MEMBERSHIP, WE HELPED DEVELOP CCC’S FEDERAL POLICY BLUEPRINT FOR CARBON CAPTURE TECHNOLOGIES FOR THE 117TH CONGRESS.

ENERGY TRANSITION
Oxy was the only U.S. based energy producer to join a group of multinational energy companies who jointly developed and agreed upon six Energy Transition Principles and who support incentives that encourage the net-zero transition. We believe this transition will occur more quickly by deploying CCUS and DAC technologies at scale.

The six energy transition principles are:

- **Public Support for the Goals of the Paris Agreement:** Publicly support the goals of the Paris Agreement, including international cooperation as a vehicle to ensure these goals can be achieved at the lowest overall cost to the economy.

- **Industry Decarbonization:** In line with each company’s individual strategy, ambitions and aims, work to reduce emissions from their own operations and strive to reduce emissions from use of energy, together with customers and society. Companies may measure their contributions using carbon intensity and/or absolute metrics at different points in the value chain as determined by their approach.

- **Energy System Collaboration:** Collaborate with interested stakeholders, including energy users, investors and governments, to develop and promote approaches to reduce emissions from use of energy, in support of countries delivering their Nationally Determined Contributions (NDCs) towards achieving the goals of the Paris Agreement.

- **Development of Carbon Sinks:** Continue to support and promote development of emissions sinks such as CCUS technology and natural sinks.

- **Transparency:** Provide disclosure related to climate change risks and opportunities consistent with the aims of the recommendations of the TCFD.

- **Industry and Trade Associations:** Report information about their memberships of main industry and trade associations and their alignment with the companies’ key climate advocacy and policy positions.

TARGETED POLICIES

**Flaring:** We believe that the routine flaring of natural gas represents a gap in the value chain that must be filled through targeted infrastructure to convey natural gas from field locations to transmission pipelines or gas processing plants or expanded beneficial use of field gas for operational purposes such as reinjection for gas lift or pressure maintenance, compression into a compressed natural gas fuel, or on-site power generation. We were the first U.S. company to join the World Bank’s pledge to achieve Zero Routine Flaring by 2030. We also support regulations, like those in Colorado and New Mexico, that encourage infrastructure design and development that eliminate or reduce the need for flaring of natural gas.

**Methane Regulation:** Methane is a greenhouse gas that should be regulated. While we believe that voluntary efforts, including the EPA’s Natural Gas STAR program, the Global Methane Initiative, TEP and Oil and Gas Methane Partnership 2.0. help achieve significant reductions in methane emissions by sharing best management practices, regulations create a baseline to consistently control emissions. Our industry can help regulators by sharing data and operating information so that effective regulations are promulgated that ensure producers and their customers, such as utilities, refineries and industrial facilities, use the vast majority of methane for beneficial uses and reduce unnecessary emissions. We supported the successful efforts by the U.S. Congress in 2022 to restore federal methane regulations under the Congressional Review Act.

COLLECTIVE CLIMATE ADVOCACY

From time to time, Oxy joins with other companies to advocate for climate policies aimed at achieving the goals of the Paris Agreement. In addition to the energy transition principles that Oxy endorsed with other leading energy companies (see above), Oxy is a member of the Carbon Capture Coalition and Carbon Utilization Research Council, organizations focused on policies that support the development and deployment of CCUS and DAC technologies, as well as other organizations that support broader climate policies consistent with our climate positions. Where the positions held by the associations, coalitions and other organizations with which we participate differ from our own, we offer our views and engage in constructive conversations to encourage those organizations to incorporate or reflect our views.

For further detail on the associations, coalitions and other organizations with which we participate, please refer to Oxy’s Climate Advocacy and Engagement below or our website.

TRANSPARENCY

Transparent approaches to emissions accounting, lifecycle analysis, reporting and third-party certification are critical to maintaining public trust, as are the transparency of all GHG accounting systems, and the implementation of Article 6 of the Paris Agreement.

Since 2018, Oxy has published a climate-related risks and opportunities report informed by the recommendations of the TCFD and supports TCFD-aligned reporting.

GOVERNANCE

The policies and guidelines above have been established by Oxy’s management and are overseen by the Sustainability and Shareholder Engagement Committee of Oxy’s Board of Directors. They are intended to help ensure alignment with Oxy’s corporate strategy and core values.
OXY’S CLIMATE ADVOCACY AND ENGAGEMENT
AS OF DECEMBER 31, 2021

We advocate and engage on climate issues, individually and through coalitions and other organizations of which we are members, in order to further advance our net-zero goals.

Our industry-leading enhanced oil recovery expertise uniquely positions us to achieve our net-zero goals by deploying innovative technologies to capture human-made and atmospheric CO₂ emissions and create a variety of products and services critical to a low-carbon world.

To advance our vision from a policy perspective, we advocate and engage on climate issues individually and through trade associations, coalitions and other organizations of which we are members. We understand the importance of our commitment to decreasing emissions while providing access to affordable, reliable energy. We use our influence to encourage organizations that we support to achieve similar goals in a manner that safeguards human health and well-being and the environment.

Our climate positions are generally consistent with the positions held by the associations, coalitions and other organizations with which we participate and that are listed below. While Oxy does not control, and may not always agree with, positions taken by trade associations, coalitions and other organizations of which it is a member, we believe membership is important in order to engage other companies and industry experts in discussing industry practices and standards across a wide breadth of issues, including, but not limited to, climate-related standards and policies. Where the positions held by the associations, coalitions and other organizations with which we participate differ from our own, we offer our views and engage in constructive conversations to encourage those organizations to incorporate or reflect our views. The positions of the organizations stated below, and our assessment of consistency with our climate policy positions, are summarized as of December 2021 and are subject to change.

We routinely compare our views with the positions of associations and coalitions in which we participate and will take action, including expanding our participation or, conversely, terminating our membership, where appropriate. Oxy’s policies and guidelines relating to climate advocacy and engagement—including related trade association and coalition memberships—have been established by Oxy’s management and are overseen by the Sustainability and Shareholder Engagement Committee of Oxy’s Board of Directors.

ORGANIZATIONS

AMERICAN CHEMISTRY COUNCIL (ACC)
AMERICAN PETROLEUM INSTITUTE (API)
CARBON CAPTURE COALITION
CARBON UTILIZATION RESEARCH COUNCIL
U.S. CHAMBER OF COMMERCE (CHAMBER)
OIL AND GAS CLIMATE INITIATIVE (OGCI)
## OXY's Climate Advocacy and Engagement

<table>
<thead>
<tr>
<th>Association, Coalition or Other Organization</th>
<th>Alignment</th>
<th>Positions or Public Statements on Climate Change</th>
</tr>
</thead>
</table>
| American Chemistry Council (ACC)            | Generally Consistent | As Congress develops policies to fight climate change, ACC has developed a set of policy recommendations to enable dramatic reductions in GHG emissions while preserving U.S. chemical industry competitiveness.  
- Increase government investment and scientific resources to develop and deploy lower emissions technologies in the manufacturing sector.  
- Adopt transparent, predictable, technology- and revenue-neutral market-based, economy-wide carbon price signals.  
- Encourage adoption of emissions-avoiding solutions and technologies to reduce emissions throughout the economy to achieve significant emissions savings.  
Read more about the ACC's policy recommendations for a lower emissions future. |
| American Petroleum Institute (API)          | Generally Consistent | API and its members support climate actions in the following five areas:  
Accelerate technology and innovation to reduce emissions while meeting growing energy needs.  
- Advocate for federal funding for low-carbon research, development and deployment.  
- Fast-track the commercial deployment of CCUS.  
- Advance hydrogen technology, innovation and infrastructure.  
Further mitigate emissions from operations to advance additional environmental progress.  
- Advance direct regulation of methane from new and existing sources.  
- Develop methane detection technologies.  
- Promote reductions in refinery GHG emissions and mitigate upstream flaring emissions. |

In general, Oxy focuses on key enabling features of policy to help efficiently meet society's climate goals rather than narrowing to one proposed solution.
## OXY’s Climate Advocacy and Engagement

### Association, Coalition or Other Organization

<table>
<thead>
<tr>
<th>Alignment</th>
<th>Positions or Public Statements on Climate Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>American Petroleum Institute (API), Continued</strong></td>
<td>Endorse a carbon price policy by government to drive economy-wide, market-based solutions.</td>
</tr>
<tr>
<td></td>
<td>• Potential approach would price CO₂ emissions across the economy.</td>
</tr>
<tr>
<td></td>
<td>• Support policies that provide transparency for consumers.</td>
</tr>
<tr>
<td></td>
<td>• Minimize duplicative regulations and help maintain U.S. competitiveness.</td>
</tr>
<tr>
<td></td>
<td>• Avoid carbon leakage and integrate with global carbon markets, while focusing on net emissions.</td>
</tr>
<tr>
<td></td>
<td>Advance cleaner fuels to provide lower-carbon choices for consumers.</td>
</tr>
<tr>
<td></td>
<td>• Develop markets for differentiated U.S. natural gas.</td>
</tr>
<tr>
<td></td>
<td>• Support policies to advance lower-carbon electricity.</td>
</tr>
<tr>
<td></td>
<td>• Reduce lifecycle emissions in the transportation sector.</td>
</tr>
<tr>
<td></td>
<td>Drive climate reporting to provide consistency and transparency.</td>
</tr>
<tr>
<td>Carbon Capture Coalition</td>
<td>The Carbon Capture Coalition believes carbon capture is essential to managing industrial emissions to meet midcentury climate goals and uses the information below to advocate for policies that will lead to an increase in the use of the technology:</td>
</tr>
<tr>
<td>Generally Consistent</td>
<td>• Nearly every global climate mitigation scenario put forth by international organizations and agreements requires dramatically accelerated use of carbon capture and removal to meet its goals.</td>
</tr>
<tr>
<td></td>
<td>• Underscoring carbon capture’s central role in mitigating climate change, the IPCC finds that climate mitigation cost under the 2°C scenario would be more than double if carbon capture were not included as an emissions reduction strategy.</td>
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# Oxy’s Climate Advocacy and Engagement

Oxy worked with a bipartisan coalition that successfully sought U.S. enactment of the Future Act, which extended the federal tax credit for CCUS and expanded it to include direct air capture and utilization. We continue to work to strengthen the Future Act.

<table>
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</table>
| Carbon Capture Coalition, Continued           |           | • In modeling of scenarios to limit warming below 2°C, the International Energy Agency (IEA) concludes that a total of 15 percent of all emissions reductions to meet net-zero by 2070 must come from carbon capture, with the largest relative emissions reduction contributions coming from carbon capture at industrial facilities.  
• A faster transition to net zero increases the need for carbon capture.  
• Moving the net-zero goalposts from 2070 to 2050 would require 50 percent more carbon capture deployment.  
• Post-2050, direct air capture will play an increasing role in offsetting any remaining anthropogenic emissions in particularly hard-to-abate sectors such as aviation.  
• Read more about the Carbon Capture Coalition’s views on carbon capture’s role in addressing climate change. |
| Carbon Utilization Research Council            | Generally Consistent | The Carbon Utilization Research Council recognizes that CCUS or low-carbon fuels will be needed for all industrial sources of GHG emissions. Any U.S. policy designed to reduce GHG emissions must:  
• Ensure consumers have access to secure, low-cost and accessible energy.  
• Contain a robust and complementary set of incentives to develop and deploy low-carbon technology.  
• Recognize CCUS technology must be cost-competitive with other zero- and low-carbon technologies for it to be commercially viable and applicable in any industry sector.  
• Create a clear and harmonized set of requirements and incentives to facilitate pipeline transportation of captured CO2 and the infrastructure needed to support carbon capture, transport and storage.  
Read more about the Carbon Utilization Research Council and their advocacy. |
The climate is changing and humans are contributing to these changes. The Chamber believes that there is much common ground on which all sides of this discussion could come together to address climate change with policies that are practical, flexible, predictable and durable. The Chamber believes in a policy approach that acknowledges the costs of action and inaction and the competitiveness of the U.S. economy. The Chamber believes that an effective climate policy should:

• Support a market-based approach to accelerate GHG emissions reductions across the U.S. economy: Durable climate policy must be made by Congress, and it should encourage innovation and investment to ensure significant emissions reductions, while avoiding economic harm for businesses, consumers and disadvantaged communities. Such policy should include well designed market mechanisms that are transparent and not distorted by overlapping regulations. U.S. climate policy should recognize the urgent need for action, while maintaining the national and international competitiveness of U.S. industry and ensuring consistency with free enterprise and free trade principles.

• Leverage the power of business: It will be largely up to the business community to develop, finance, build and operate the solutions needed to power economic growth worldwide, mitigate GHG emissions and build resilient, lower-carbon infrastructure.

• Maintain U.S. leadership in climate science: The U.S. should continue to be the world leader in climate change science and the major sponsor of the research used in multi-lateral scientific forums.

• Embrace technology and innovation: Policy should allow the U.S. to maintain a leadership role in technologies, such as advanced nuclear, energy efficient systems and building materials and large-scale renewables, energy storage and batteries, high-efficiency low-emission power plants and CCUS by supporting a broad-based public- and private-sector technology portfolio. Advanced technologies and innovation offer the best solution for managing climate risks and reducing GHG emissions. Breakthroughs in commercially-viable technologies are necessary to enable significant cuts in GHG emissions without harming economic growth or the competitiveness of energy-intensive trade-exposed industries. Technology-neutral climate change policy offers the best opportunity to deliver cost-effective, achievable and meaningful GHG reductions.

• Aggressively pursue greater energy efficiency: Improving energy efficiency on supply and demand sides can bring almost immediate benefits to business operations and the environment.
**OXY'S CLIMATE ADVOCACY AND ENGAGEMENT**

<table>
<thead>
<tr>
<th>ASSOCIATION, COALITION OR OTHER ORGANIZATION</th>
<th>ALIGNMENT</th>
<th>POSITIONS OR PUBLIC STATEMENTS ON CLIMATE CHANGE</th>
</tr>
</thead>
</table>
| U.S. Chamber of Commerce (Chamber), Continued |            | • Promote climate resilient infrastructure: Adaptation and resilience is critical to minimizing the risk and impacts of climate change. Business is ready to design and build the resilient, low-carbon infrastructure of the future.  
• Support trade in U.S. technologies and products: Demand for advanced technologies will offer opportunities for growing exports of American technologies, products and services. Technology cooperation, public-private partnerships, innovative financing and capacity building are necessary for facilitating commerce in climate solutions stamped “Made in the USA.” Trade rules should protect intellectual property.  
• Encourage international cooperation: The Paris Agreement established a comprehensive framework for international action. Greater collaboration between governments and businesses is essential to build the best models to tackle climate challenges. |
| Oil and Gas Climate Initiative (OGCI)       | Generally Consistent | OGCI has a set of guiding principles to help member companies contribute towards achieving a low-carbon future. Those principles are:  
• Support the Paris Agreement and its aims.  
• Seek to reduce further the methane and CO2 intensity of member operations.  
• Seek to be a catalyst for reducing emissions in the oil and gas industry and the wider economy.  
• Assess climate change risks and opportunities in business planning.  
• Publish accurate and consistent indicators and utilize third-party data review.  
• Support government policies that consider a value for carbon, explicitly or implicitly.  
• Support the implementation of regulations tackling methane emissions reduction.  
• Engage responsibly with stakeholders.  
• Foster candid and constructive dialogue with a broad range of stakeholders.  
Read more about the OGCI and its strategy to increase climate action. |
INTEGRATED RISK MANAGEMENT

INTEGRATING CLIMATE INTO OXY’S RISK MANAGEMENT APPROACH
THE IEA SUSTAINABLE DEVELOPMENT SCENARIO
Oxy has long recognized that systematic risk assessment and proactive Enterprise Risk Management (ERM) are essential to safe, reliable and sustainable operations. Oxy’s ERM program identifies and evaluates significant risks, such as those reflecting climate-related regulatory changes and physical, commercial and reputational risks, to inform strategic and capital planning.

We consider various energy scenarios, including the performance of our assets and reserves in modeling based on the International Energy Agency (IEA) World Energy Outlook (WEO), to assess potential future climate-related impacts to our business. Larger capital projects require a carbon price-sensitivity analysis before approval.

Integration of climate-related risks into our ERM system and strategic planning process supports readiness for emerging opportunities and resilience against potential risks. The outcomes inform our engagement with stockholders, state and national regulators, industry associations, environmental groups and other stakeholders.

To support strategic planning discussions at senior management and Board levels, Oxy considers various scenarios to assess potential future climate-related impacts on the company’s existing assets. We factor carbon pricing and energy transition risks in a range of scenarios around commodity prices, capital returns and the risks and opportunities of GHG abatement and CO2 capture and utilization. Our risk evaluation also includes the potential physical and social impacts of severe weather events and business disruption in flood-prone and water-stressed areas.

OUR APPROACH TO TRANSITION RISK
Oxy’s risk management incorporates analyses of short-, medium- and long-term financial risks of a lower-carbon economy to better understand the resiliency of our current and potential assets and capital investments. Significantly, it also provides key information to target opportunities.

In alignment with the IEA, IPCC and other leading organizations, we believe widescale deployment of CCUS and DAC is critical to achieving global climate goals, while meeting society’s demands for energy and better standards of living. Our OLCV subsidiary is focused on advancing CCUS-related business opportunities and policies. Over the past three years, we have dedicated resources to the OLCV business, building a strategic plan and execution teams. We believe that Oxy’s 50 years of experience with integrated carbon management and large-scale carbon separation, transportation, use, recycling and storage applied in our EOR business will help position us to realize our net-zero goals and ambitions.

As the largest commercial purchaser and injector of CO2 for EOR in the Permian Basin and a global leader in this technology, Oxy has proprietary information of CO2 market factors. We routinely use this market information in our business and strategic planning.

PHYSICAL RISK
Oxy operates offshore oil and gas platforms in the Gulf of Mexico and facilities along the U.S. Gulf Coast that have been affected by severe weather at times. Beyond the Gulf of Mexico region, other domestic and international assets are at risk of downtime from power outages, snow or freezing conditions, cyclones, sandstorms or excessive heat. Facilities exposed to physical risks are hardened against severe weather events to the extent practicable and are routinely inspected. They have historically weathered such events without casualties or major damage. These facilities have emergency preparedness and response plans initiated in advance of identified storms.

Following severe weather events, facilities undergo detailed inspection and recovery protocols to support a safe and timely return to full production. Other physical or resource risks that could arise from long-term shifts in climate, including water or raw material scarcity, changes in energy markets and geopolitical risks, are considered in our business continuity planning, project risk evaluation and ERM processes.
We believe sound, externally developed scenarios benefit stakeholders seeking to compare companies across industries. The TCFD recommends organizations use a scenario to test portfolio resilience in which global warming is kept to well below a 2°C increase compared with pre-industrial levels.

In this section, we discuss our carbon pricing assumptions and portfolio review process, including the performance of our assets and reserves in stress-test modeling based on the IEA Sustainable Development Scenario (SDS). The SDS reflects a pathway to achieving key energy-related components of the U.N. Sustainable Development Agenda, including universal access to modern energy by 2030, urgent action to tackle climate change and measures to improve air quality. The SDS is aligned with holding the temperature increase to well below 2°C (more precisely, the 2020 SDS scenario is consistent with a 1.65°C increase) and pursuing efforts to limit it to 1.5°C, without recourse to net-negative emissions. The SDS scenario is also consistent with advanced economies achieving net-zero emissions by 2050. The WEO-2020 model assumptions also integrate the stimulus packages required for a global sustainable economic recovery from Covid-19.

In 2020, Oxy used the 2019 SDS to complete a comprehensive stress-test, modeling how a tax-like carbon burden would impact our operated oil and gas assets. This was conducted using specific production and reserves profiles for selected assets representing approximately 50% of our total portfolio. In 2021, a top-down update was conducted at a portfolio level that focused on our operations with our longest-lived reserves. In 2021, the IEA published its Net Zero Emissions by 2050 Scenario (NZE), in which it introduced a model of energy markets and pricing that it ascribed to attaining net-zero globally by 2050. While this scenario was not incorporated into our 2021 review since it did not reflect 2021 near-term market conditions, including strengthening energy demand and commodity prices, we are evaluating the integration of this scenario into our future reviews.

We believe our strategy for resilience — utilizing and storing CO\textsubscript{2} at a price and volume that adjust relative to potential economic or regulatory carbon constraints or incentives — can attract investors in various carbon-constrained scenarios, advance our net-zero goals and align with the goals of the Paris Agreement. We continue to evaluate new scenarios and reassess our asset portfolio based on material changes in leading market forecasts, carbon pricing regimes and significant changes to our asset mix.

Across our business segments, Oxy bases its strategic and capital planning processes on a capital-efficient approach that is intended to maximize the value of our portfolio and execute on our priorities. Key elements of our portfolio review and carbon modeling include:

- Referencing the IEA SDS
- Developing strategic alternatives expected to maximize shareholder value in a future with uncertain carbon constraints and defined carbon budgets, and
- Developing options for delivering sustainable shareholder value under scenarios with stringent regulation of CO\textsubscript{2} emissions and potentially changing demand for oil and gas and its derived products.

Portfolio impacts were assessed by applying the SDS outcomes for oil and natural gas prices and CO\textsubscript{2} prices in the regions where we operate. Currently, no carbon tax applies to any of Oxy’s oil and gas operations or product sales. However, as part of our commitment to informed capital planning and risk management, we include an assumed price on carbon in our capital approval process for the purpose of sensitivity modeling. This modeling allows our capital planners and senior management to analyze the long-term risks of carbon price exposure when extending the operating life or reserves of existing fields or entering new projects.

For this 2021 report, we conducted sensitivity analysis on our CO\textsubscript{2} burden applying the SDS’s carbon price projection, which starts at $63 per metric ton in 2025 and reaches $140 per metric ton by 2040. For our portfolio, we estimate a carbon burden of $1.51 per BOE in 2025, increasing linearly through 2040, when we increased the modeled carbon burden to $3.36 per BOE, based on the emissions intensity of Oxy’s oil and gas operations and the SDS’s carbon pricing projections.
Prior Year Assessment

In 2020, we used a reference case model, derived from our proved reserves reported to the Securities and Exchange Commission (SEC), for our assessment of potential impacts to proved reserves under the 2019 SDS. Oil and gas product prices under the 2019 SDS were generally higher than prices at year-end 2019 utilized in accordance with SEC rules for estimating proved reserves. Considering the 2019 SDS oil and gas product prices and CO₂ burden costs, proved reserves showed an impact of less than 1% and the standardized measure of discounted future net cash flows as defined by the SEC (NPV 10) valuation showed no negative impact. The assessment was based on a representative portfolio of assets that contained a majority of proved reserves from our operated U.S. and non-U.S. oil and gas locations reported in our 2019 Form 10-K. Planned capital spending and expected operating costs, except for CO₂ burden costs, that support the proved reserves remained unchanged.

Current Year Assessment

In 2021, due to the even larger difference between the SDS prices and our year-end 2020 reserves prices, we conducted a focused test on our operations with the longest-lived reserves. Similar to our experience in the prior year, oil and gas product prices in the 2020 SDS were significantly higher than year-end 2020 reserves valuation reference prices for West Texas Intermediate (WTI) crude oil and Henry Hub gas. We confirmed, through this analysis, that neither reserves nor NPV 10 valuation would be lower under the 2020 SDS scenario when compared to reported reserves and valuation as of December 31, 2020. The results of scenario analysis further demonstrate the strength and resiliency of Oxy’s assets, including in a lower-carbon economy. We benefit from a high-return, short-cycle upstream portfolio. This allows us to minimize the risk of stranded investments as 1) our assets can generate returns in the low-carbon scenarios assessed under the SDS and 2) we have the flexibility to shift capital given an unexpected change in policy that would impact the economics of new projects.
APPENDICES

GHG EMISSIONS SUMMARY 2019-2020
INDEPENDENT ASSURANCE STATEMENT
SUMMARY OF OXY CLIMATE GOALS BY TIME PERIOD
OXY’S 50-YEAR CARBON MANAGEMENT LEGACY
GLOSSARY
## GHG EMISSIONS SUMMARY (1) 2019-2020

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
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<tbody>
<tr>
<td><strong>TOTAL OXY</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Scope 1: GHG Emissions</td>
<td>19.81 MILLION MTCO₂e</td>
<td>22.34 MILLION MTCO₂e</td>
</tr>
<tr>
<td>Scope 2: GHG Emissions</td>
<td>4.65 MILLION MTCO₂e</td>
<td>5.31 MILLION MTCO₂e</td>
</tr>
<tr>
<td><strong>Total Operational GHG Emissions (Scope 1 + 2)</strong></td>
<td>24.46 MILLION MTCO₂e</td>
<td>27.65 MILLION MTCO₂e</td>
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<tr>
<td><strong>OXY OIL AND GAS</strong> (3)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Scope 1: GHG Emissions</td>
<td>13.71 MILLION MTCO₂e</td>
<td>16.13 MILLION MTCO₂e</td>
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<tr>
<td>Scope 2: GHG Emissions</td>
<td>3.01 MILLION MTCO₂e</td>
<td>3.42 MILLION MTCO₂e</td>
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<tr>
<td><strong>Total Operational GHG Emissions (Scope 1 + 2)</strong></td>
<td>16.72 MILLION MTCO₂e</td>
<td>19.55 MILLION MTCO₂e</td>
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<tr>
<td><strong>Scope 3</strong>: Transportation, Refining and Use of Sold Products - Operated Basis</td>
<td>226 MTCO₂e/BOE</td>
<td>260 MTCO₂e/BOE</td>
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<tr>
<td><strong>Scope 3</strong>: Transportation, Refining and Use of Sold Products - Equity Basis</td>
<td>165 MTCO₂e/BOE</td>
<td>126 MTCO₂e/BOE</td>
</tr>
<tr>
<td><strong>Scope 3</strong>: Transportation, Refining and Use of Sold Products - Equity Basis</td>
<td>201 MTCO₂e/BOE</td>
<td>153 MTCO₂e/BOE</td>
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<tr>
<td><strong>Flare Emissions</strong> (5)</td>
<td>2.24 MTCO₂e/BOE</td>
<td>2.95 MTCO₂e/BOE</td>
</tr>
<tr>
<td><strong>Methane Emissions</strong> (6)</td>
<td>4.16 MTCO₂e/BOE</td>
<td>4.29 MTCO₂e/BOE</td>
</tr>
<tr>
<td><strong>OXYCHEM</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Scope 1: Emissions</td>
<td>6.10 MTCO₂e/MT</td>
<td>6.21 MTCO₂e/MT</td>
</tr>
<tr>
<td>Scope 2: Emissions</td>
<td>1.64 MTCO₂e/MT</td>
<td>1.89 MTCO₂e/MT</td>
</tr>
<tr>
<td><strong>Total Operational GHG Emissions (Scope 1 + 2)</strong></td>
<td>7.74 MTCO₂e/MT</td>
<td>8.10 MTCO₂e/MT</td>
</tr>
<tr>
<td><strong>Methane Emissions</strong></td>
<td>0.003 MTCO₂e/MT</td>
<td>0.003 MTCO₂e/MT</td>
</tr>
</tbody>
</table>

(1) Certain emissions and intensity estimates have been updated from those previously reported. See page 20 for more detail on our enhanced emissions estimates.

(2) Total Operational GHG Emissions refers to Scope 1 + 2 emissions from Oxy’s operated oil and gas assets and OxyChem.

(3) 2020 Oxy Oil and Gas data include Oxy and Anadarko operated oil and gas assets. For both GHG emissions and GHG intensity estimates, we have included Anadarko operated emissions and operated production for the entire year (2019), although we acquired Anadarko in August 2019.

(4) Scope 3 estimates reflect oil and gas upstream emissions for the three significant categories associated with the downstream transportation, refining, and use of our oil and gas products (Category 9, 10, and 11, respectively), using 2009 API Compendium emission factors and EPA/IPCC AR4 GWP. The estimates assume combustion of all oil and gas products and ignore non-emissive use, and are presented on an operated, equity, and operated-equity basis. Previously, Scope 3 emissions were reported only on an operated-equity basis for the most significant category—use of our sold products (Category 11)—and included an 11% reduction based on 2017 U.S. Energy Information Administration refinery data for non-emissive use.

(5) Flare Emissions data for the period 2019-20 include total of routine, non-routine and safety flaring.

(6) Methane emissions intensity in this row refers to the amount of methane emissions from Oxy’s operated oil and gas assets as a percentage of the total gas produced and marketed.

(7) MTCO₂e/MT for OxyChem is MTCO₂e per metric ton of production.
Independent Assurance Statement to Occidental Petroleum Corporation

ERM Certification and Verification Services, Inc. (‘ERM CVS’) was engaged by Occidental Petroleum Corporation (‘Oxy’) to provide assurance in relation to the greenhouse gas (‘GHG’) emissions data for the reporting years ended 31 December 2019 and 31 December 2020 set out below, and presented in the 2021 Climate Report and Sustainability Report (together the ‘Reports’).

Our conclusions
Based on our activities, as described below, nothing has come to our attention to indicate that the following 2019 and 2020 GHG emissions data from Oxy operated assets are not fairly presented in the Reports, in all material respects, with the reporting criteria.

Our assurance activities
A multidisciplinary team of sustainability and assurance specialists performed a range of assurance procedures which varied across the disclosures covered by our assurance engagement, as follows:

Virtual interviews with relevant staff to understand and evaluate the data management systems and processes (including IT systems and internal review processes) used for collecting and reporting the selected data;

Conducted a desk-based review of source data for purchased electricity for selected plants within the Permian Basin, US;

Reviewed calculations, conversion factors, and assumptions used; and

Reviewed the presentation of information relevant to the scope of our work in the Reports to ensure consistency with our findings.

The limitations of our engagement
The reliability of the assured information is subject to inherent uncertainties, given the available methods for determining, calculating or estimating the underlying information, and it is important to understand our assurance conclusions in this context. Due to travel restrictions relating to COVID-19, our assurance activities consisted of desktop reviews of data and related information, and virtual meetings and interviews with Oxy personnel.

ERM CVS is a member of the ERM Group. The work that ERM CVS conducts for clients is solely related to independent assurance activities and auditor training. Our processes are designed and implemented to ensure that the work we undertake with clients is free from bias and conflict of interest. ERM CVS and the staff that have undertaken work on this assurance exercise provide no consultancy related services to Oxy in any respect.

<table>
<thead>
<tr>
<th>Scope of our assurance engagement</th>
<th>Whether the following 2019 and 2020 data are fairly presented in the Reports, in all material respects, with the reporting criteria.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assurance standard</td>
<td>ERM CVS’ assurance methodology, based on the International Standard on Assurance Engagements ISAE 3000 (Revised).</td>
</tr>
<tr>
<td>Assurance level</td>
<td>Limited assurance.</td>
</tr>
</tbody>
</table>

Oxy is responsible for preparing the Reports, and for the collection and presentation of the information within them. ERM CVS’s responsibility is to provide conclusions on the agreed scope based on the assurance activities performed and exercising our professional judgement.

Partner, Head of Corporate Assurance
ERM Certification and Verification Services, Inc
3 March 2022

ERM CVS
# SHORT-TERM GHG GOALS (2021-25)

<table>
<thead>
<tr>
<th>GHG SCOPE</th>
<th>TARGET DATE</th>
<th>TYPE</th>
<th>METRIC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scope 1+2</td>
<td>2021</td>
<td>Annual</td>
<td>Milestones in Emissions Reduction Efforts established annually by the Board of Directors</td>
</tr>
<tr>
<td>Scope 3</td>
<td>2021</td>
<td>Annual</td>
<td>Milestones in Low Carbon Ventures Projects established annually by the Board of Directors</td>
</tr>
<tr>
<td>Scope 1+2</td>
<td>2024</td>
<td>Absolute (Credit Facility KPI)</td>
<td>Reduce Oxy’s combined Scope 1 and 2 CO₂e emissions from worldwide operated assets by at least 3.68 million metric tons per year by 2024, compared to our 2021 emissions.</td>
</tr>
<tr>
<td>Scope 1+2</td>
<td>2025</td>
<td>Carbon Intensity</td>
<td>Oil and gas Scope 1+2 GHG emissions intensity of 0.02 MTCO₂e/BOE</td>
</tr>
<tr>
<td>Scope 1+2</td>
<td>2025</td>
<td>Absolute</td>
<td>OxyChem Scope 1+2 GHG emissions reduced by 187,990 MTCO₂e</td>
</tr>
<tr>
<td>Scope 1+2</td>
<td>2025</td>
<td>Absolute</td>
<td>OxyChem Scope 1+2 GHG emissions reduced by 2.33%</td>
</tr>
<tr>
<td>Scope 1+2</td>
<td>2025</td>
<td>Carbon Intensity</td>
<td>OxyChem Scope 1+2 GHG emissions intensity reduced by 2.7%</td>
</tr>
<tr>
<td>Scope 1</td>
<td>2025</td>
<td>Methane Intensity</td>
<td>Methane Emissions Intensity &lt;0.25% of produced &amp; marketed gas</td>
</tr>
</tbody>
</table>
# MEDIUM- AND LONG-TERM GHG GOALS

<table>
<thead>
<tr>
<th>GHG SCOPE</th>
<th>TARGET DATE</th>
<th>TYPE</th>
<th>METRIC</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Medium Term (2026-2035)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Scope 1</td>
<td>2030</td>
<td>Absolute</td>
<td>Eliminate all routine flaring by 2030</td>
</tr>
<tr>
<td>Scope 1, 2 + 3</td>
<td>2032</td>
<td>Absolute CCUS</td>
<td>Facilitate 25 million metric tons per year of geologic storage or utilization of captured CO₂ in our value chain by 2032 (or other recognized, technologically feasible climate mitigation)</td>
</tr>
<tr>
<td>Scope 1+2</td>
<td>2035</td>
<td>Net-Zero Ambition</td>
<td>Achieve Net Zero for Scope 1+2 emissions with an ambition to do so before 2035</td>
</tr>
<tr>
<td><strong>Long Term (2036-2050)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Scope 1+2</td>
<td>2040</td>
<td>Net-Zero Goal</td>
<td>Achieve Net Zero for Scope 1+2 emissions before 2040</td>
</tr>
<tr>
<td>Scope 3</td>
<td>2050</td>
<td>Net-Zero Ambition</td>
<td>Achieve Net Zero for total carbon inventory (including Scope 3 emissions chiefly from the use of our products) with an ambition to do so before 2050</td>
</tr>
<tr>
<td>Scope 3</td>
<td>Beyond 2050</td>
<td>Net-Zero Ambition</td>
<td>Total carbon impact through global deployment of CCUS, Direct Air Capture and other solutions to advance a net-zero world beyond 2050</td>
</tr>
</tbody>
</table>
OXY'S 50-YEAR CARBON MANAGEMENT LEGACY

1972
- CO₂-EOR initiated in Crane/Upton Counties, TX

1983
- Denver Unit begins CO₂-EOR operations

2000
- Acquired Altura Energy, a leading CO₂-EOR operator in the Permian

2008
- Original 45Q tax credit for carbon storage and use established

2010
- CO₂Century Plant came online with the capacity to capture 8+ million tons per year

2015
- Denver Unit CO₂field MRV approved, the first by the US EPA

2017
- Hobbs CO₂field MRV approved, the second by US EPA

2018
- Expanded 45Q (Future Act) changes approved by Congress, incentivizing carbon capture
- Established Low Carbon Ventures group
- J oined Oil and Gas Climate Initiative
- White Energy capture project feasibility study announced
- Goldsmith Solar and Oman projects announced
- Goldsmith Solar and NET Power announced
- Published first climate report

2019
- Board of Directors created Sustainability and Shareholder Engagement Committee
- Invested in Carbon Engineering
- Invested in XCHG to create global marketplace for carbon credits
- Goldsmith Solar Facility successful startup
- Invested in Cemvita, a biotech startup focused on bioengineered pathways for CO₂ utilization
- Formed TerraLithium JV
- OLCV formed Technical Advisory Services to support CCUS projects around the world
- CARB applications for fuel pathways and permanence submitted

2020
- First U.S. oil and gas company to establish a net-zero goal for our total carbon inventory of Scope 1, 2 and 3 emissions
- Carbon Finance Labs formed
- 3PointFive development company created to deploy Carbon Engineering’s DAC technology
- Sequestration business formed to finance, develop, operate, and maintain CO₂ sequestration hubs in the U.S.
- 45Q extended by 2 years to 2026; USE-IT Act approved
- OLCV awarded Project Tundra carbon storage consulting services contract
- First U.S. oil and gas company to endorse the World Bank's Zero Routine Flaring by 2030 initiative

2021
- Obtained third MRV with West Seminole San Andres Unit
- First ever Carbon-Neutral Oil shipment
- J oined Oil and Gas Methane Partnership 2.0
- Endorsed Methane Guiding Principles
- First U.S. upstream oil and gas company to enter into sustainability-linked credit facilities
Glossary

A

Anthropogenic CO$_2$: Emissions of GHGs, precursors of GHGs and aerosols caused by human activities. Per the IPCC, these activities include the burning of fossil fuels, deforestation, land use and land-use changes, fertilizer production and industrial processes.

B

BOE: Barrel of oil equivalent is the energy released by burning one barrel of oil, and is used to express the energy contained in other hydrocarbon streams in barrels — for example, Oxy uses a conversion of 6,000 cubic feet of natural gas = 1BOE

C

CARB: California Air Resources Board

CNG: Compressed Natural Gas

CO$_2$: Carbon dioxide

CQoE: Carbon dioxide equivalent — obtained by converting a mixture of GHG to a single number based on the global warming potential of each individual GHG in the mixture.

CO$_2$ EOR: Carbon dioxide Enhanced Oil Recovery. Oxy is an industry leader in applying CO$_2$ EOR, which can increase ultimate oil recovery by 30 to 25% in the fields where it is employed

CCUS: Carbon capture, utilization and storage

CDP: A nonprofit organization that manages a system for voluntary reporting on climate-related issues, water management and forestry practices. Formerly known as the Carbon Disclosure Project

Carbon Offsets: Avoided GHG emissions, GHG emissions reductions or GHG removal and sequestration made available to another organization in the form of a carbon credit to countervalue unabsorbed/residual GHG emissions. (based on ISO)

D

DAC: Direct air capture pulls CO$_2$ directly from the atmosphere and delivers it in a pure, compressed form so it can be used in processes like EOR to create low-carbon fuels and products or permanent carbon removal through carbon sequestration. DAC technology allows for collection of atmospheric CO$_2$, making it a key solution for addressing difficult to capture, and historical, emissions

DJ Basin: Denver-Julesburg Basin in the U.S. Rockies region

DOE: U.S. Department of Energy

ERM: Enterprise Risk Management

ESG: Environmental, Social and Governance

E

EOR: Enhanced Oil Recovery, a technique to increase oil production through the injection of water, steam or carbon dioxide

EPA: U.S. Environmental Protection Agency

ERG: Economic Resource Grade

F

GHG: Greenhouse gases — primarily comprised of carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride and nitrogen trifluoride

Henry Hub: A natural gas pipeline located in Erath, Louisiana, that serves as the official delivery location for futures contracts on the New York Mercantile Exchange

IEA: International Energy Agency

IPIECA: A global oil and gas industry association for environmental and social issues. Formerly known as the International Petroleum Industry Environmental Conservation Association

M

Metric Ton or Tonne (MT): 1,000 kilograms (approximately 2,205 pounds)

MMCfd: Million cubic feet per day

m$: Cubic meters

NG: Natural Gas

GHG: Greenhouse gases, which can increase the ultimate oil recovery by 10 to 25%

Net Zero: As defined by the IPCC, “net zero” balances anthropogenic GHG emissions to the atmosphere with GHGs taken out of the atmosphere. At Oxy, net zero means that we facilitate the reduction, capture, removal and storage of at least the same quantity of GHGs that are emitted directly from our operations (Scope 1), generated by others to create the power we purchase to conduct our operations (Scope 2), and generated by customers and consumers using the products we sell (Scope 3)

NPV: Net Present Value of revenues minus expenses using an annual discount rate

Net: As defined by the IPCC, “net” balances anthropogenic GHG emissions to the atmosphere with GHGs taken out of the atmosphere. At Oxy, net zero means that we facilitate the reduction, capture, removal and storage of at least the same quantity of GHGs that are emitted directly from our operations (Scope 1), generated by others to create the power we purchase to conduct our operations (Scope 2), and generated by customers and consumers using the products we sell (Scope 3)

NGM: Natural Gas Metric

NGV: Natural Gas Vehicle

O

OGCI: The Oil and Gas Climate Initiative, a CEO-led initiative that aims to accelerate the industry response to climate change. OGCI member companies explicitly support the Paris Agreement and its aims

OLCV: Oxy Low Carbon Ventures

P

Peruvian Basin: A hydrocarbon-bearing sedimentary basin largely contained in the western part of Texas and the southeastern part of New Mexico

Q

Quarterly CO2 Emission: CO2 emissions from a reporting entity's operations and properties for a time period of at least three months

R

Roadmap: A strategy to achieve Net Zero

Scope 1 Emissions: As defined by the Greenhouse Gas Protocol, Scope 1 or direct emissions are emissions from sources that are owned or controlled by the reporting entity

Scope 2 Emissions: As defined by the Greenhouse Gas Protocol, Scope 2 or indirect emissions are emissions that are a consequence of the activities of the reporting entity, but occur at sources owned or controlled by another entity such as the generation of purchased electricity, steam or heat

Scope 3 Emissions: As defined by the Greenhouse Gas Protocol, Scope 3 or other indirect emissions are emissions from the reporting entity’s value chain, such as from the transportation, processing or use of products sold by the reporting entity, the extraction and production of purchased materials and fuels, transport-related activities not owned or controlled by the reporting entity, electricity-related activities (e.g., transmission and distribution losses) not covered in Scope 2, waste disposal, etc.

S

SASB: Sustainability Accounting Standards Board

Scope 1 Emissions: As defined by the Greenhouse Gas Protocol, Scope 1 or direct emissions are emissions from sources that are owned or controlled by the reporting entity

Scope 2 Emissions: As defined by the Greenhouse Gas Protocol, Scope 2 or indirect emissions are emissions that are a consequence of the activities of the reporting entity, but occur at sources owned or controlled by another entity such as the generation of purchased electricity, steam or heat

Scope 3 Emissions: As defined by the Greenhouse Gas Protocol, Scope 3 or other indirect emissions are emissions from the reporting entity’s value chain, such as from the transportation, processing or use of products sold by the reporting entity, the extraction and production of purchased materials and fuels, transport-related activities not owned or controlled by the reporting entity, electricity-related activities (e.g., transmission and distribution losses) not covered in Scope 2, waste disposal, etc.

Sustainable Development Scenario: IEA scenario that integrates the objectives of three Sustainable Development Goals (SDGs): universal access to modern energy by 2030, stringent control of GHG emissions consistent with the objectives of the Paris Agreement, and a steep reduction in conventional air pollutant emissions

T

TCFD: Task Force on Climate-related Financial Disclosures

TEP: The Environmental Partnership, a group companies in the U.S. oil and natural gas industry committed to continuously improving the industry’s environmental performance

Tier 4 Rigs: Rigs complying with the latest emission standards established by the U.S. Environmental Protection Agency for engines found in off-road equipment

U

UAV: Unmanned Aerial Vehicle

W

WTI: West Texas Intermediate — a type of crude oil that is the underlying commodity of the New York Mercantile Exchange oil futures contracts and a common benchmark for pricing crude oil